

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.





LEGISLATIVE HISTORY

Public Law 359--81st Congress

Chapter 695--1st Session

H. R. 1689

TABLE OF CONTENTS

Digest of Public Law 359 . . . . .	1
Index and Summary of History on H. R. 1689 . . . . .	2



EXECUTIVE PAY INCREASES. Provides for salaries as follows: Department heads, \$22,500; Under Secretaries, Comptroller General, Budget Director, Federal Security Administrator, General Services Administrator, and Housing and Home Finance Administrator, \$17,500; Chairman of Munitions Board, Chairman of Research and Development Board, Assistant Comptroller General, Assistant Budget Director, Chairman of Civil Service Commission, Chairman of Export-Import Bank, Council of Economic Advisers, and Federal Reserve Board members, \$16,000; Assistant Secretaries, PMA Administrator, REA Administrator, Archivist, Public Roads Commissioner, and members of various commissions, \$15,000; SCS Chief, FCA Governor, Chief Forester, FHA Administrator, FCIC Manager, Reclamation Commissioner, Housing Expediter, Bureau of Federal Supply Director, and Public Buildings Commissioner, \$14,000. Directs department and agency heads to absorb the increased costs during the fiscal year 1950, unless the Budget Bureau determines that such absorption would impair the performance of the functions of the department or agency. Makes increases effective on the first day of the first pay period beginning after the date of enactment.



INDEX AND SUMMARY OF HISTORY ON H. R. 1689

January 13, 1949	S. 498 was introduced by Senator Lucas and others and was referred to the Senate Committee on Post Office and Civil Service. Print of the bill as introduced. (Companion bill).
January 20, 1949	H. R. 1689 was introduced by Rep. Miller and was referred to the House Committee on Post Office and Civil Service. Print of the bill as introduced.
February 4, 1949	Hearings: House, H. R. 1689.
March 18, 1949	Senate Committee reported S. 498 with amendments. Senate Report 130. Print of the bill as reported.
March 21, 1949	Senate Committee reported minority views to S. 498. Senate Report 130, Pt. 2.
April 11, 1949	Senate discussed and passed over S. 498.
May 9, 1949	House Committee reported H. R. 1689 with amendments. House Report 535. Print of the bill as reported.
June 30, 1949	House Rules Committee reported H. Res. 274 for the consideration of H. R. 1689. Print of the measure.
July 8, 1949	House debated and passed H. R. 1689 with amendments. Agreed to an amendment by Rep. Cooley for \$15,000 salary to the FCIC Manager. Rejected, 109-152, an amendment by Rep. Rees to reduce specified amounts except for department heads.
July 11, 1949	Print of H. R. 1689 as ordered to be placed on the calendar.
July 14, 1949	Print of H. R. 1689 as referred to the Senate Committee on Post Office and Civil Service.
July 20, 1949	Prints of amendments to H. R. 1689 proposed by Senators Thye and Baldwin.
July 26, 1949	Senate discussed and passed over S. 498.
July 28, 1949	Prints of amendments to S. 498 proposed by Senator O'Connor.  Print of an amendment to H. R. 1689 proposed by Senator George.
August 9, 1949	Senate Committee reported H. R. 1689 with amendments. Senate Report 882.
August 25, 1949	Print of an amendment to S. 498 proposed by Senator Williams.  Print of an amendment to H. R. 1689 proposed by Senator Williams.
August 27, 1949	Senate discussed and passed over H. R. 1689.
September 8, 1949	Prints of amendments to H. R. 1689 proposed by Senator McCarthy.





September 15, 1949	Print of an amendment to H. R. 1689 proposed by Senator McMahon.
September 21, 1949	Print of an amendment to H. R. 1689 proposed by Senator Thye.
September 22, 1949	Prints of amendments to H. R. 1689 proposed by Senator Bridges.
September 26, 1949	Prints of amendments to H. R. 1689 proposed by Senators Johnson, Douglas, Cordon, Maybank, and McMahon. Also print of an amendment to S. 498 proposed by Senator Cordon.
September 27, 1949	Prints of amendments to H. R. 1689 proposed by Senators McClellan and Ferguson.
September 28, 1949	Senate began debate on H. R. 1689. Agreed, 36-16, to an amendment in the nature of a substitute, proposed by Sen. Johnson.
	Prints of amendments to H. R. 1689 proposed by Senators Cain, McMahon and Flanders.
September 29, 1949	Senate concluded debate and passed, 52-14, with amendments, H. R. 1689. Action on S. 498 indefinitely postponed in view of passage of H. R. 1689.
	Senate conferees appointed.
	Print of the bill with the amendment of the Senate.
October 3, 1949	House conferees appointed.
October 5, 1949	Substitute appointment of Senate conferee.
October 11, 1949	House received the conference report. House Report 1411.
October 13, 1949	House agreed to the conference report.
October 14, 1949	Senate agreed to the conference report.
October 15, 1949	Approved. Public Law 359.









81ST CONGRESS  
1ST SESSION

# S. 498

---

## IN THE SENATE OF THE UNITED STATES

JANUARY 13, 1949

Mr. LUCAS (for himself, Mr. O'CONOR, Mr. FLANDERS, and Mr. BALDWIN) introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

---

## A BILL

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1      *Be it enacted by the Senate and House of Representa-*  
2      *tives of the United States of America in Congress assembled,*  
3      That the rate of basic compensation of the head of each execu-  
4      tive department and of the Secretary of Defense shall be  
5      \$25,000 per annum.

6      SEC. 2 (a) The rate of basic compensation of the  
7      Chairman of the Atomic Energy Commission, the Adminis-  
8      trator for Economic Cooperation, the Comptroller General  
9      of the United States, the Chairman of the Council of Eco-  
10     nomic Advisers, the Director of the Bureau of the Budget,  
11     the Chairman of the National Security Resources Board,

1 the Federal Security Administrator, the Administrator of  
2 Veterans' Affairs, the Chairman of the Board of Governors  
3 of the Federal Reserve System, each Under Secretary of  
4 an executive department, the Assistant to the Attorney  
5 General, the Solicitor General of the United States, and  
6 the First Assistant Postmaster General shall be \$22,500  
7 per annum.

8 (b) Section 105 of title 3 of the United States Code is  
9 amended to read as follows:

10 "COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMIN-  
11 ISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

12 "SEC. 105. The President is authorized to fix the com-  
13 pensation of the six administrative assistants authorized to  
14 be appointed under section 106 of this title, of the Executive  
15 Secretary of the National Security Council, and of five other  
16 secretaries or other immediate staff assistants in the White  
17 House Office as follows: Two at rates not exceeding \$22,500  
18 per annum, three at rates not exceeding \$20,000 per annum,  
19 and seven at rates not exceeding \$17,500 per annum."

20 (c) The first sentence of section 106 of title 3 of the  
21 United States Code is amended to read as follows: "The  
22 President is authorized to appoint not to exceed six admin-  
23 istrative assistants and to fix their compensation in accordance  
24 with section 105 of this title."

25 SEC. 3. (a) The rate of basic compensation of the

1 Housing and Home Finance Administrator, the Federal  
2 Works Administrator, the members (other than the Chair-  
3 man) of the Board of Governors of the Federal Reserve  
4 System, the members (other than the Chairman) of the  
5 Council of Economic Advisers, the members (other than the  
6 Chairman) of the Atomic Energy Commission, the Public  
7 Printer, the Librarian of Congress, the Federal Mediation  
8 and Conciliation Director, the Chairman of the Munitions  
9 Board, the Chairman of the Research and Development  
10 Board, the Director of Central Intelligence, the Deputy  
11 Administrator for Economic Cooperation, the Assistant  
12 Comptroller General of the United States, the Assistant Di-  
13 rector of the Bureau of the Budget, the Executive Assistant  
14 Administrator of Veterans' Affairs, and the Assistant Federal  
15 Security Administrator shall be \$20,000 per annum.

16 (b) The first sentence of section 603 of title 28 of  
17 the United States Code (relating to the salary of the  
18 Director of the Administrative Office of the United States  
19 Courts) is amended to read as follows:

20 "The Director shall receive a salary of \$20,000 a  
21 year."

22 SEC. 4. (a) The rate of basic compensation of the  
23 members of the Home Loan Bank Board; the Public Hous-  
24 ing Commissioner; the Federal Housing Commissioner; the  
25 Housing Expediter; the War Assets Administrator; the

1 Director of Selective Service; the Director of Aeronautical  
2 Research of the National Advisory Committee for Aero-  
3 nautics; the Archivist of the United States; of all members  
4 of the Civil Aeronautics Board; the Displaced Persons Com-  
5 mission; the Board of Directors of the Export-Import Bank  
6 of Washington; the Federal Communications Commission;  
7 the Board of Directors of the Federal Deposit Insurance  
8 Corporation (including the Comptroller of the Currency);  
9 the Federal Power Commission; the Federal Trade Com-  
10 mission; the Interstate Commerce Commission; the Na-  
11 tional Labor Relations Board; the National Mediation  
12 Board; the Railroad Retirement Board; the Board of Direc-  
13 tors of the Reconstruction Finance Corporation; the Se-  
14 curities and Exchange Commission; the Board of Directors  
15 of the Tennessee Valley Authority; the Civil Service Com-  
16 mission; the United States Maritime Commission; the United  
17 States Tariff Commission; the Indian Claims Commission;  
18 the War Claims Commission; the Philippine War Damage  
19 Commission; the Board of Commissioners of the District  
20 of Columbia; of the General Counsel of the National Labor  
21 Relations Board; each Assistant Secretary of an executive  
22 department (including the Fiscal Assistant Secretary of  
23 the Treasury); each Assistant Attorney General; the Assist-  
24 ant Solicitor General of the United States; the Counselor  
25 of the Department of State; the Second, Third, and Fourth



1 Assistant Postmasters General; the Associate Federal Media-  
2 tion and Conciliation Director; the Deputy Director of  
3 Central Intelligence; the Philippine Alien Property Admin-  
4 istrator; the Chief Assistant Librarian of Congress; the  
5 Deputy Public Printer; the Architect of the Capitol; the  
6 Assistant Federal Works Administrator; and of the Gov-  
7 ernors of Alaska, Hawaii, the Virgin Islands, and the  
8 Panama Canal shall be at the rate of \$17,500 per annum.  
9 Notwithstanding the Act of February 23, 1931 (5 U. S. C.  
10 152a), the salary of the legal adviser of the Department  
11 of State shall not be increased as a result of this Act.

12 (b) The second sentence of section 603 of title 28 of  
13 the United States Code (relating to the compensation of the  
14 Assistant Director of the Administrative Office of the United  
15 States Courts) is amended to read as follows: "The Assistant  
16 Director shall receive a salary of \$17,500 a year."

17 SEC. 5. In any case in which the chairman or other head  
18 of a board or commission, the rate of basic compensation for  
19 members of which is prescribed by section 4 of this Act,  
20 has important duties or responsibilities not imposed upon  
21 other members of such board or commission, the President  
22 is authorized in his discretion to fix the compensation of such  
23 chairman or other head at the rate of \$20,000 per annum.

24 SEC. 6. (a) Section 304 of the Postal Rate Revision and  
25 Federal Employees Salary Act of 1948 is hereby repealed

1 effective as of July 3, 1948. No additional compensation  
2 shall be payable by reason of the enactment of this section for  
3 any period prior to the date of enactment of this Act in the  
4 case of any person who is not an employee in or under the  
5 municipal government of the District of Columbia on such  
6 date of enactment.

7 (b) Effective as of the first day of the first pay period  
8 which began after June 30, 1948, each of the rates of basic  
9 compensation provided by sections 412 and 415 of the  
10 Foreign Service Act of 1946 (U. S. C., title 22, secs. 867  
11 and 870) which do not exceed \$10,000 are hereby increased  
12 by \$330. No additional compensation shall be payable by  
13 reason of the enactment of this section for any period prior  
14 to the date of enactment of this Act in the case of any person  
15 who is not a Foreign Service officer or a Foreign Service  
16 staff officer or employee on such date.





---

# A BILL

---

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

By Mr. Lucas, Mr. O'Connor, Mr. Flanders, and  
Mr. Baldwin

---

JANUARY 13, 1949

Read twice and referred to the Committee on Post  
Office and Civil Service





81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 1949

Mr. MILLER of California introduced the following bill; which was referred to the Committee on Post Office and Civil Service

---

## A BILL

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1      *Be it enacted by the Senate and House of Representa-*  
2      *tives of the United States of America in Congress assembled,*  
3      That the rate of basic compensation of the head of each execu-  
4      tive department and of the Secretary of Defense shall be  
5      \$25,000 per annum.

6      SEC. 2. (a) The rate of basic compensation of the  
7      Chairman of the Atomic Energy Commission, the Adminis-  
8      trator for Economic Cooperation, the Comptroller General  
9      of the United States, the Chairman of the Council of Eco-  
10     nomic Advisers, the Director of the Bureau of the Budget,  
11     the Chairman of the National Security Resources Board,

1 the Federal Security Administrator, the Administrator of  
2 Veterans' Affairs, the Chairman of the Board of Governors  
3 of the Federal Reserve System, each Under Secretary of  
4 an executive department, the Assistant to the Attorney  
5 General, the Solicitor General of the United States, and  
6 the First Assistant Postmaster General shall be \$22,500  
7 per annum.

8 (b) Section 105 of title 3 of the United States Code is  
9 amended to read as follows:

10 "COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMIN-  
11 ISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

12 "SEC. 105. The President is authorized to fix the com-  
13 pensation of the six administrative assistants authorized to  
14 be appointed under section 106 of this title, of the Executive  
15 Secretary of the National Security Council, and of five other  
16 secretaries or other immediate staff assistants in the White  
17 House Office as follows: Two at rates not exceeding \$22,500  
18 per annum, three at rates not exceeding \$20,000 per annum,  
19 and seven at rates not exceeding \$17,500 per annum."

20 (c) The first sentence of section 106 of title 3 of the  
21 United States Code is amended to read as follows: "The  
22 President is authorized to appoint not to exceed six admin-  
23 istrative assistants and to fix their compensation in accordance  
24 with section 105 of this title."

25 SEC. 3. (a) The rate of basic compensation of the

1 Housing and Home Finance Administrator, the Federal  
2 Works Administrator, the members (other than the Chair-  
3 man) of the Board of Governors of the Federal Reserve  
4 System, the members (other than the Chairman) of the  
5 Council of Economic Advisers, the members (other than the  
6 Chairman) of the Atomic Energy Commission, the Public  
7 Printer, the Librarian of Congress, the Federal Mediation  
8 and Conciliation Director, the Chairman of the Munitions  
9 Board, the Chairman of the Research and Development  
10 Board, the Director of Central Intelligence, the Deputy  
11 Administrator for Economic Cooperation, the Assistant  
12 Comptroller General of the United States, the Assistant Di-  
13 rector of the Bureau of the Budget, the Executive Assistant  
14 Administrator of Veterans' Affairs, and the Assistant Federal  
15 Security Administrator shall be \$20,000 per annum.

16 (b) The first sentence of section 603 of title 28 of  
17 the United States Code (relating to the salary of the  
18 Director of the Administrative Office of the United States  
19 Courts) is amended to read as follows:

20 "The Director shall receive a salary of \$20,000 a  
21 year."

22 SEC. 4. (a) The rate of basic compensation of the  
23 members of the Home Loan Bank Board; the Public Hous-  
24 ing Commissioner; the Federal Housing Commissioner; the  
25 Housing Expediter; the War Assets Administrator; the



1 Director of Selective Service; the Director of Aeronautical  
2 Research of the National Advisory Committee for Aeronau-  
3 tics; the Archivist of the United States; of all members  
4 of the Civil Aeronautics Board; the Displaced Persons Com-  
5 mission; the Board of Directors of the Export-Import Bank  
6 of Washington; the Federal Communications Commission;  
7 the Board of Directors of the Federal Deposit Insurance  
8 Corporation (including the Comptroller of the Currency);  
9 the Federal Power Commission; the Federal Trade Com-  
10 mission; the Interstate Commerce Commission; the Na-  
11 tional Labor Relations Board; the National Mediation  
12 Board; the Railroad Retirement Board; the Board of Direc-  
13 tors of the Reconstruction Finance Corporation; the Se-  
14 curities and Exchange Commission; the Board of Directors  
15 of the Tennessee Valley Authority; the Civil Service Com-  
16 mission; the United States Maritime Commission; the United  
17 States Tariff Commission; the Indian Claims Commission;  
18 the War Claims Commission; the Philippine War Damage  
19 Commission; the Board of Commissioners of the District  
20 of Columbia; of the General Counsel of the National Labor  
21 Relations Board; each Assistant Secretary of an executive  
22 department (including the Fiscal Assistant Secretary of  
23 the Treasury); each Assistant Attorney General; the Assist-  
24 ant Solicitor General of the United States; the Counselor  
25 of the Department of State; the Second, Third, and Fourth



1 Assistant Postmasters General; the Associate Federal Media-  
2 tion and Conciliation Director; the Deputy Director of  
3 Central Intelligence; the Phillipine Alien Property Admin-  
4 istrator; the Chief Assistant Librarian of Congress; the  
5 Deputy Public Printer; the Architect of the Capitol; the  
6 Assistant Federal Works Administrator; and of the Gov-  
7 ernors of Alaska, Hawaii, the Virgin Islands, and the  
8 Panama Canal shall be at the rate of \$17,500 per annum.  
9 Notwithstanding the Act of February 23, 1931 (5 U. S. C.  
10 152a), the salary of the legal adviser of the Department  
11 of State shall not be increased as a result of this Act.

12 (b) The second sentence of section 603 of title 28 of  
13 the United States Code (relating to the compensation of the  
14 Assistant Director of the Administrative Office of the United  
15 States Courts) is amended to read as follows: "The Assistant  
16 Director shall receive a salary of \$17,500 a year."

17 SEC. 5. In any case in which the chairman or other head  
18 of a board or commission, the rate of basic compensation for  
19 members of which is prescribed by section 4 of this Act,  
20 has important duties or responsibilities not imposed upon  
21 other members of such board or commission, the President  
22 is authorized in his discretion to fix the compensation of such  
23 chairman or other head at the rate of \$20,000 per annum.

24 SEC. 6. (a) Section 304 of the Postal Rate Revision and  
25 Federal Employees Salary Act of 1948 is hereby repealed

1 effective as of July 3, 1948. No additional compensation  
2 shall be payable by reason of the enactment of this section for  
3 any period prior to the date of enactment of this Act in the  
4 case of any person who is not an employee in or under the  
5 municipal government of the District of Columbia on such  
6 date of enactment.

7 (b) Effective as of the first day of the first pay period  
8 which began after June 30, 1948, each of the rates of basic  
9 compensation provided by sections 412 and 415 of the  
10 Foreign Service Act of 1946 (U. S. C., title 22, secs. 867  
11 and 870) which do not exceed \$10,000 are hereby increased  
12 by \$330. No additional compensation shall be payable by  
13 reason of the enactment of this section for any period prior  
14 to the date of enactment of this Act in the case of any person  
15 who is not a Foreign Service officer or a Foreign Service  
16 staff officer or employee on such date.



81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

H. R. 1689

---

## A BILL

---

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

By Mr. MULLER of California

---

JANUARY 20, 1949

Referred to the Committee on Post Office and Civil  
Service





## COMPENSATION OF TOP GOVERNMENT OFFICIALS

---

MARCH 18, 1949.—Ordered to be printed

---

Mr. O'CONOR, from the Committee on Post Office and Civil Service,  
submitted the following

## REPORT

[To accompany S. 498]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 498) to increase rates of compensation of heads and assistant heads of executive departments and independent agencies, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

Section 1 of the bill would increase the compensation of heads of each executive department and of the Secretary of Defense to \$25,000 a year.

Sections 2, 3, and 4, with the proposed committee amendment, would increase rates of compensation of heads of independent agencies, members of independent boards and commissions, and certain White House officials to \$20,000, \$18,000, and \$16,000 a year, upon the basis of their respective responsibilities.

Section 5 would authorize the President to fix the compensation of the chairman, or other head of a board or commission, at \$18,000 if such position carried with it important duties or responsibilities not imposed upon other members of such board or commission who would receive \$16,000.

Section 6, a committee amendment, would increase the basic compensation of 18 specified bureau chiefs and commensurate heads of subdivisions of departments or agencies to \$16,000. It would authorize the President to increase the compensation to \$16,000 in 10 cases where the position of head of a bureau or other commensurate subdivision of a department or agency, board, or commission, or other comparable executive and administrative position, involves important duties and responsibilities.

Section 7 corrects inequities resulting from the exclusion from the provision of the Postal Rate Revision and Federal Employees Salary Act of 1948 of certain employees of the District of Columbia municipal government and certain employees of the Foreign Service by granting



to these employees retroactively the \$330 increase provided by that act for Government employees generally. A committee amendment would make certain the inclusion of the reserve officers of the Foreign Service.

The positions covered and the salaries to be paid, aside from increases provided in section 7, and the limited authorization provided in section 6, are specifically set forth in the bill.

Table 1 enumerates the 240 positions specifically covered and the 10 additional allowable by the bill.

Table 2 presents a summary of the positions covered in the bill, showing the number of positions at each proposed salary rate and their present salaries.

Table 3 shows the present and proposed over-all salary distribution.

The total estimated cost of the bill on an annual basis is as itemized in table 4.

#### GENERAL STATEMENT

Pay adjustment for top Government officials has been the subject of intensive study by the Senate Post Office and Civil Service Committee for the last 2 years. In December 1948 a subcommittee of this committee filed a comprehensive report on compensation of top Government officials. This report, based upon lengthy committee and staff research and hearings, contained a recommended bill calling for substantial increases in compensation for the President, Vice President, Speaker of the House of Representatives, and some 225 top Government officials. A bill (S. 103) to carry out the subcommittee's recommendations was introduced in the Eighty-first Congress and reported favorably January 11, 1949 (Calendar No. 1, Rept. No. 1, 81st Cong., 1st sess.). The subcommittee's report was made a part of this committee report. To permit the President and Vice President to obtain the increase provided before January 20, it became necessary to amend S. 103 on the Senate Floor, limiting the bill as passed, to the President, Vice President, and Speaker of the House of Representatives.

The sponsors of S. 103 reintroduced the unenacted portions of the bill, which became S. 498. A new subcommittee was assigned S. 498 for study and recommendations. The subcommittee, after hearings, consultation with the President of the United States, and careful study, reported unanimously to the full committee S. 498, with a number of amendments which will be described briefly below. The full committee accepted the subcommittee's report and recommended amendments with slight modifications.

In reporting S. 498 to the Senate, the committee proposes the following amendments:

First, the committee recommends that the amounts provided in S. 498 be scaled down. Specifically it recommends that the levels of \$22,500, \$20,000, and \$17,500 contained in the bill as introduced be reduced to \$20,000, \$18,000, and \$16,000, respectively. The committee recommends the same general grouping of positions as contained in the original bill except that it would reduce the proposed compensation of members of the Atomic Energy Commission and the members of the Board of Governors of the Federal Reserve System to the \$16,000 level proposed for all other boards and commissions of the Government. It would likewise reduce the proposed compensation of the Chairman of the Atomic Energy Commission to \$18,000.



The second major committee amendment to S. 498 proposes the inclusion in the \$16,000 bracket of 18 enumerated positions—all heads of bureaus or other commensurate major subdivisions of an executive department or independent agency, board or commission, or other comparable executive or administrative positions. It would also grant authority to the President to fix the compensation of 10 positions of comparable importance at \$16,000. This amendment is intended to assist the President in obtaining and retaining personnel for a limited number of positions subordinate to the positions originally intended to be covered by the proposed bill, pending enactment of a comprehensive revision of the Classification Act.

The committee recognizes there are other positions equally deserving of upward salary adjustment that this bill as amended does not cover. It also recognizes that this bill is only a start toward a comprehensive revision of the Government's whole salary structure. In recommending immediate consideration of this measure, it is the intent of the committee to engage upon a revision of the Classification Act of 1923, as amended.

This bill with the committee's proposed amendments, although scaled down from the amounts requested by the President and by the Hoover Commission, is considered an important step in the direction of improving the top-level management of the Federal Government. The committee urges Members of the Senate to study the report accompanying S. 103, referred to above. This report contains the comprehensive study of the history, coverage, top-bracket-salary policy, and other important information justifying this proposed legislation. It also stresses the importance of correcting last year's pay legislation to include retroactively District workers and Foreign Service workers excluded from the earlier legislation.

It should be stressed that this bill has the earnest backing of the President of the United States, the Hoover Commission, the organizations of Federal employees, and, it is believed, the public generally.

TABLE 1.—*List of top executive and administrative positions to which the proposed bill applies, distributed according to proposed rates of pay*

Description	Num- ber	Rates of pay		Increase	U. S. Govern- ment Manual, 1943, p.—
		Present	Proposed		
Sec. 1:					
Secretary, Department of Agriculture.....	1	\$15, 000	\$25, 000	\$10, 000	252
Secretary, Department of Commerce.....	1	15, 000	25, 000	10, 000	289
Secretary, Department of the Interior.....	1	15, 000	25, 000	10, 000	229
Attorney General, Department of Justice.....	1	15, 000	25, 000	10, 000	201
Secretary, Department of Labor.....	1	15, 000	25, 000	10, 000	317
Secretary of Defense.....	1	15, 000	25, 000	10, 000	141
Secretary, Department of the Air Force.....	1	15, 000	25, 000	10, 000	192
Secretary, Department of the Army.....	1	15, 000	25, 000	10, 000	145
Secretary, Department of the Navy.....	1	15, 000	25, 000	10, 000	164
Postmaster General, Post Office Department.....	1	15, 000	25, 000	10, 000	216
Secretary, Department of State.....	1	15, 000	25, 000	10, 000	83
Secretary, Treasury Department.....	1	15, 000	25, 000	10, 000	103
Sec. 1 total.....	12	180, 000	300, 000	120, 000	-----

TABLE 1.—List of top executive and administrative positions to which the proposed bill applies, distributed according to proposed rates of pay—Continued

Description	Num- ber	Rates of pay		Increase	U. S. Govern- ment Manual, 1948, p. —
		Present	Proposed		
Sec. 2 (a):					
Administrator for Economic Cooperation.....	1	\$20,000	\$20,000	-----	68
Comptroller General of the United States.....	1	12,000	20,000	\$8,000	33
Chairman of the Council of Economic Advisers.....	1	15,000	20,000	5,000	60
Director of the Bureau of the Budget.....	1	10,000	20,000	10,000	56
Chairman of the National Security Resources Board.....	1	14,000	20,000	6,000	62
Federal Security Administrator.....	1	12,000	20,000	8,000	370
Administrator of Veterans' Affairs.....	1	12,000	20,000	8,000	510
Under Secretary, Department of Agriculture.....	1	10,330	20,000	9,670	252
Under Secretary, Department of Commerce.....	1	10,000	20,000	10,000	289
Under Secretary, Department of the Interior.....	1	10,330	20,000	9,670	229
Under Secretary, Department of Labor.....	1	10,330	20,000	9,670	317
Under Secretary, Department of the Air Force.....	1	10,000	20,000	10,000	192
Under Secretary, Department of the Army.....	1	10,000	20,000	10,000	145
Under Secretary, Department of the Navy.....	1	10,000	20,000	10,000	164
Under Secretary, Department of State.....	1	12,000	20,000	8,000	83
Under Secretary, Treasury Department.....	1	10,000	20,000	10,000	103
Assistant to the Attorney General, Department of Justice.....	1	10,330	20,000	9,670	201
Solicitor General of the United States, Department of Justice.....	1	10,330	20,000	9,670	201
First Assistant Postmaster General, Post Office De- partment.....	1	10,330	20,000	9,670	216
Sec. 2 (b):					
White House officials designated by the President:					
Six (6) administrative assistants.....	2	-----	20,000	} 76,030	56
The Executive Secretary of the National Security Council.....	3	-----	18,000		56
Five (5) other secretaries or other immediate staff assistants.....	7	-----	16,000		56
	1	15,000	-----		61
	1	12,000	-----		
	9	10,330	-----		
	1	10,000	-----		
Sec. 2 total.....	31	348,950	586,000	237,050	-----
Sec. 3 (a):					
Housing and Home Finance Administrator.....	1	16,500	18,000	1,500	414
Federal Works Administrator.....	1	12,000	18,000	6,000	406
Members (other than the Chairman) of the Council of Economic Advisers.....	2	15,000	18,000	3,000	60
Chairman of the Atomic Energy Commission.....	1	17,500	18,000	500	334
Public Printer.....	1	10,330	18,000	7,670	36
Librarian of Congress.....	1	10,330	18,000	7,670	40
Federal Mediation and Conciliation Director.....	1	12,000	18,000	6,000	353
Chairman of the Munitions Board.....	1	14,000	18,000	4,000	141
Chairman of the Research and Development Board.....	1	14,000	18,000	4,000	142
Director of Central Intelligence.....	1	14,000	18,000	4,000	61
Deputy Administrator for Economic Cooperation.....	1	17,500	18,000	500	68
Assistant Comptroller General of the United States.....	1	10,330	18,000	7,670	33
Assistant Director of the Bureau of the Budget.....	1	10,330	18,000	7,670	56
Executive Assistant Administrator of Veterans' Affairs.....	1	10,330	18,000	7,670	510
Assistant Federal Security Administrator.....	1	10,000	18,000	8,000	370
Sec. 3 (b): Director of the Administrative Office of the United States Courts.....					
	1	10,330	18,000	7,670	53
Sec. 3 total.....	17	219,480	306,000	86,520	-----

TABLE 1.—List of top executive and administrative positions to which the proposed bill applies, distributed according to proposed rates of pay—Continued

Description	Num- ber	Rates of pay		Increase	U. S. Govern- ment Manual, 1948, p. —
		Present	Proposed		
Sec. 4 (a):					
Members, Board of Governors of the Federal Reserve System.....	7	\$15,000	\$16,000	\$1,000	364
Members (other than Chairman), of the Atomic Energy Commission.....	4	15,000	16,000	1,000	334
Members, Home Loan Bank Board, Housing and Home Finance Agency.....	3	15,000	16,000	1,000	415
Public Housing Commissioner, Housing and Home Finance Agency.....	1	15,000	16,000	1,000	416
Federal Housing Commissioner, Housing and Home Finance Agency.....	1	15,000	16,000	1,000	416
Housing Expediter.....	1	12,000	16,000	4,000	72
War Assets Administrator.....	1	12,000	16,000	4,000	74
Director of Selective Service.....	1	12,500	16,000	3,500	474
Director of Aeronautical Research of the National Advisory Committee for Aeronautics.....	1	10,330	16,000	5,670	438
Archivist of the United States.....	1	10,000	16,000	6,000	440
Members, Civil Aeronautics Board.....	4	12,000	16,000	4,000	337
Members, Displaced Persons Commission.....	3	11,500	16,000	4,500	337
Board of Directors, Export-Import Bank of Wash- ington.....	3	10,000	16,000	6,000	-----
Federal Communications Commission.....	1	15,000	16,000	1,000	343
Board of Directors, Federal Deposit Insurance Corpo- ration (including the Comptroller of the Currency).....	3	12,000	16,000	4,000	343
Members, Federal Power Commission.....	7	10,000	16,000	6,000	344
Members, Federal Trade Commission.....	3	15,000	16,000	1,000	348
Members, Interstate Commerce Commission.....	5	10,000	16,000	6,000	354
Members, National Labor Relations Board.....	5	10,000	16,000	6,000	398
Members, National Mediation Board.....	11	12,000	16,000	4,000	429
Members, Railroad Retirement Board.....	5	12,000	16,000	4,000	449
Board of Directors, Reconstruction Finance Corpo- ration.....	3	10,000	16,000	6,000	454
Members, Securities and Exchange Commission.....	3	10,000	16,000	6,000	456
Board of Directors, Tennessee Valley Authority.....	1	15,000	16,000	1,000	462
Members, Civil Service Commission.....	4	12,500	16,000	3,500	462
Members, United States Maritime Commission.....	5	10,000	16,000	6,000	468
Board of Directors, Tennessee Valley Authority.....	3	10,000	16,000	6,000	485
Members, Civil Service Commission.....	3	10,000	16,000	6,000	491
Members, United States Maritime Commission.....	1	12,000	16,000	4,000	500
Members, United States Tariff Commission.....	4	10,000	16,000	6,000	500
Members, Indian Claims Commission.....	6	10,000	16,000	6,000	506
Members, War Claims Commission.....	3	10,000	16,000	6,000	425
Members, Philippine War Damage Commission.....	3	12,000	16,000	4,000	-----
Board of Commissioners, District of Columbia.....	3	12,000	16,000	4,000	79
General Counsel, National Labor Relations Board.....	3	10,000	16,000	6,000	340
Assistant Secretary, Department of Agriculture.....	1	12,000	16,000	4,000	449
Assistant Secretary, Department of Commerce.....	1	10,330	16,000	5,670	252
Assistant Secretary, Department of the Interior.....	2	10,000	16,000	6,000	289
Assistant Secretary, Department of Labor.....	2	10,330	16,000	5,670	229
Assistant Secretary, Department of the Air Force.....	3	10,330	16,000	5,670	317
Assistant Secretary, Department of the Army.....	2	10,000	16,000	6,000	192
Assistant Secretary, Department of the Navy.....	2	10,000	16,000	6,000	145
Assistant Secretary, Department of State.....	2	10,000	16,000	6,000	164
Assistant Secretary, Treasury Department.....	6	10,330	16,000	5,670	83
Fiscal Assistant Secretary, Treasury Department.....	2	10,000	16,000	6,000	103
Assistant Attorney General, Department of Justice.....	1	10,330	16,000	5,670	103
Assistant Solicitor General of the United States, De- partment of Justice.....	7	10,330	16,000	5,670	201
Counselor, Department of State.....	1	10,330	16,000	5,670	201
Second Assistant Postmaster General, Post Office Department.....	1	10,330	16,000	5,670	83
Third Assistant Postmaster General, Post Office Department.....	1	10,330	16,000	5,670	216
Fourth Assistant Postmaster General, Post Office Department.....	1	10,330	16,000	5,670	216
Associate Federal Mediation and Conciliation Direc- tor.....	1	10,330	16,000	5,670	216
Deputy Director, Central Intelligence.....	1	10,330	16,000	5,670	353
Philippine Alien Property Administrator.....	1	10,000	16,000	6,000	61
Chief Assistant Librarian of Congress.....	1	10,000	16,000	6,000	66
Deputy Public Printer.....	1	10,330	16,000	5,670	40
Architect of the Capitol.....	1	10,330	16,000	5,670	36
Assistant Federal Works Administrator.....	1	10,330	16,000	5,670	30
Governor, Alaska.....	1	10,000	16,000	6,000	406
Governor, Hawaii.....	1	10,330	16,000	5,670	229
Governor, Virgin Islands.....	1	10,330	16,000	5,670	229
Governor, Panama Canal.....	1	10,330	16,000	5,670	230
	1	10,000	16,000	6,000	157



TABLE 1.—*List of top executive and administrative positions to which the proposed bill applies, distributed according to proposed rates of pay—Continued*

Description	Number	Rates of pay		Increase	U. S. Government Manual, 1948, p. —
		Present	Proposed		
Sec. 4 (h): Assistant Director of the Administrative Office of the United States Courts.....	1	\$9, 707	\$16, 000	\$6, 293	53
Sec. 4 total.....	162	1, 814, 097	2, 592, 000	777, 903	-----
Sec. 5: Instances where the chairman or other head of a board or commission has important duties or responsibilities not imposed upon other members of such board or commission, where the compensation of such chairman or other head may be fixed at \$18,000 per annum, cannot readily be determined and, therefore, no estimate of cost is provided.					
Sec. 6 (a):					
Commissioner of Internal Revenue—Treasury Department.....	1	10, 330	16, 000	5, 670	104
Director of the Federal Bureau of Investigation, Department of Justice.....	1	14, 000	16, 000	2, 000	201
Commissioner of Public Roads, Federal Works Agency.....	1	10, 330	16, 000	5, 670	408
Commissioner of Immigration and Naturalization, Department of Justice.....	1	10, 330	16, 000	5, 670	201
Administrator of the Rural Electrification Administration, Department of Agriculture.....	1	10, 330	16, 000	5, 670	253
Commissioner of Social Security, Federal Security Agency.....	1	10, 330	16, 000	5, 670	371
Commissioner of Reclamation, Department of the Interior.....	1	10, 330	16, 000	5, 670	229
Commissioner of Customs, Treasury Department.....	1	10, 330	16, 000	5, 670	105
Governor of the Farm Credit Administration, Department of Agriculture.....	1	10, 330	16, 000	5, 670	252
Chief Forester of the Forest Service, Department of Agriculture.....	1	10, 000	16, 000	6, 000	252
Special Assistants to the Secretary of Defense.....	3	10, 000	16, 000	6, 000	141
General Manager, Tennessee Valley Authority.....	1	10, 000	16, 000	6, 000	485
General Manager, Atomic Energy Commission.....	1	15, 000	16, 000	1, 000	334
Administrator, Farmers Home Administration, Department of Agriculture.....	1	10, 330	16, 000	5, 670	252
Director, Bureau of Prisons, Department of Justice.....	1	10, 330	16, 000	5, 670	201
Administrator, Production and Marketing Administration (President, Commodity Credit Corporation).....	1	10, 330	16, 000	5, 670	252
Sec. 6 (h) (c): Due to the fact that specific positions cannot be determined at this time the maximum estimate of cost is provided.....	10	10, 305	16, 000	5, 695	-----
Sec. 6 total.....	28	295, 680	448, 000	152, 320	-----

TABLE 2.—*Number of positions at each proposed salary rate*

Bill No. S. 498	Number under each section		Rate of pay		Increase
			Present	Proposed	
Sec. 1.....	12	12	\$15,000	\$25,000	\$120,000
Sec. 2 (a).....	1	1	20,000	20,000	-----
	1	-----	15,000	20,000	5,000
	1	-----	14,000	20,000	6,000
	4	-----	12,000	20,000	32,000
	6	-----	10,330	20,000	58,020
	6	19	10,000	20,000	60,000
Sec. 2 (b).....	1	-----	15,000	-----	-----
	1	-----	12,000	-----	-----
	9	-----	10,330	-----	-----
	1	12	10,000	-----	76,030
	(2)	-----	-----	20,000	-----
	(3)	-----	-----	18,000	-----
	(7)	-----	-----	16,000	-----
Sec. 3 (a).....	2	-----	17,500	18,000	1,000
	1	-----	16,500	18,000	1,500
	2	-----	15,000	18,000	6,000
	3	-----	14,000	18,000	12,000
	2	-----	12,000	18,000	38,350
	5	-----	10,330	18,000	8,000
	1	16	10,000	18,000	7,670
Sec. 3 (b).....	1	1	10,330	18,000	21,000
Sec. 4 (a).....	21	-----	15,000	16,000	17,500
	5	-----	12,500	16,000	120,000
	30	-----	12,000	16,000	18,000
	4	-----	11,500	16,000	187,110
	33	-----	10,330	16,000	408,000
	68	161	10,000	16,000	6,293
Sec. 4 (b).....	1	1	9,707	16,000	-----
Sec. 5.....	-----	-----	-----	-----	-----
Sec. 6 (a).....	1	-----	15,000	16,000	1,000
	1	-----	14,000	16,000	2,000
	11	-----	10,330	16,000	62,370
	5	18	10,000	16,000	30,000
Sec. 6 (b).....	10	10	10,305	16,000	56,950
Total.....	-----	250	2,858,207	4,232,000	1,373,793

<sup>1</sup> Assumes the 10 positions provided in sec. 6 (b) and (c) are compensated presently at the rate of \$10,305.

TABLE 3.—*Present and proposed over-all salary distribution*

Salary rate	Present distribution <sup>1</sup>	Proposed distribution	Salary rate	Present distribution <sup>1</sup>	Proposed distribution
\$25,000.....	-----	12	\$12,000.....	37	-----
\$20,000.....	1	21	\$11,500.....	4	-----
\$18,000.....	-----	20	\$10,330.....	65	-----
\$17,500.....	2	-----	\$10,305.....	10	-----
\$16,500.....	1	-----	\$10,000.....	81	-----
\$16,000.....	-----	197	\$9,707.....	1	-----
\$15,000.....	38	-----	Total.....	250	250
\$14,000.....	5	-----			
\$12,500.....	5	-----			

<sup>1</sup> Assumes the 10 positions provided in sec. 6 (b) and (c) are compensated presently at the rate of \$10,305.

TABLE 4.—*Estimated cost of proposed bill S. 498*

	Number of positions	Estimated annual cost of bill
Secs. 1 to 6, inclusive: Increase in compensation of top-bracket positions previously listed (see table 1, 2, or 3).....	250	\$1,373,793
Sec. 7 (repeal of sec. 304 of Public Law 900, 80th Cong.): District of Columbia.....	7,598	2,507,340
Foreign Service of the United States, Department of State.....	6,000	1,980,000
Total.....	13,848	5,861,133



Calendar No. 112

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 498**

[Report No. 130]

---

IN THE SENATE OF THE UNITED STATES

JANUARY 13, 1949

Mr. LUCAS (for himself, Mr. O'CONOR, Mr. FLANDERS, and Mr. BALDWIN) introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

MARCH 18, 1949

Reported by Mr. O'CONOR, with amendments

[Omit the part struck through and insert the part printed in *italic*]

---

**A BILL**

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the rate of basic compensation of the head of each  
4       executive department and of the Secretary of Defense shall  
5       be \$25,000 per annum.

6       SEC. 2. (a) The rate of basic compensation of the  
7       ~~Chairman of the Atomic Energy Commission;~~ the Adminis-  
8       trator for Economic Cooperation, the Comptroller General



1 of the United States, the Chairman of the Council of Eco-  
2 nomic Advisers, the Director of the Bureau of the Budget,  
3 the Chairman of the National Security Resources Board,  
4 the Federal Security Administrator, the Administrator of  
5 Veterans' Affairs, ~~the Chairman of the Board of Governors~~  
6 ~~of the Federal Reserve System~~, each Under Secretary of  
7 an executive department, the Assistant to the Attorney  
8 General, the Solicitor General of the United States, and  
9 the First Assistant Postmaster General shall be ~~\$22,500~~  
10 ~~\$20,000~~ per annum.

11 (b) Section 105 of title 3 of the United States Code is  
12 amended to read as follows:

13 "COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMIN-  
14 ISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

15 "SEC. 105. The President is authorized to fix the com-  
16 pensation of the six administrative assistants authorized to  
17 be appointed under section 106 of this title, of the Executive  
18 Secretary of the National Security Council, and of five other  
19 secretaries or other immediate staff assistants in the White  
20 House Office as follows: Two at rates not exceeding ~~\$22,500~~  
21 ~~\$20,000~~ per annum, three at rates not exceeding ~~\$20,000~~  
22 ~~\$18,000~~ per annum, and seven at rates not exceeding  
23 ~~\$17,500~~ ~~\$16,000~~ per annum."

24 (c) The first sentence of section 106 of title 3 of the  
25 United States Code is amended to read as follows: "The

1 President is authorized to appoint not to exceed six admin-  
2 istrative assistants and to fix their compensation in accordance  
3 with section 105 of this title.”

4 SEC. 3. (a) The rate of basic compensation of the  
5 Housing and Home Finance Administrator, the Federal  
6 Works Administrator, ~~the members (other than the Chair-~~  
7 ~~man) of the Board of Governors of the Federal Reserve~~  
8 ~~System,~~ the members (other than the Chairman) of the  
9 Council of Economic Advisers, ~~the members (other than the~~  
10 ~~Chairman)~~ *the Chairman* of the Atomic Energy Commis-  
11 sion, the Public Printer, the Librarian of Congress, the  
12 Federal Mediation and Conciliation Director, the Chairman  
13 of the Munitions Board, the Chairman of the Research and  
14 Development Board, the Director of Central Intelligence, the  
15 Deputy Administrator for Economic Cooperation, the As-  
16 sistant Comptroller General of the United States, the  
17 Assistant Director of the Bureau of the Budget, the Execu-  
18 tive Assistant Administrator of Veterans’ Affairs, and the  
19 Assistant Federal Security Administrator shall be ~~\$20,000~~  
20 ~~\$18,000~~ per annum.

21 (b) The first sentence of section 603 of title 28 of  
22 the United States Code (relating to the salary of the  
23 Director of the Administrative Office of the United States  
24 Courts) is amended to read as follows:

1       “The Director shall receive a salary of ~~\$20,000~~ \$18,000  
2 a year.”

3       SEC. 4. (a) The rate of basic compensation of *the*  
4 *members of the Board of Governors of the Federal Reserve*  
5 *System; the members (other than Chairman) of the*  
6 *Atomic Energy Commission; the members of the Home*  
7 *Loan Bank Board; the Public Housing Commissioner;*  
8 *the Federal Housing Commissioner; the Housing Expediter;*  
9 *the War Assets Administrator; the Director of Selective*  
10 *Service; the Director of Aeronautical Research of the*  
11 *National Advisory Committee for Aeronautics; the Archivist*  
12 *of the United States; of all members of the Civil Aero-*  
13 *navics Board; the Displaced Persons Commission; the*  
14 *Board of Directors of the Export-Import Bank of Washing-*  
15 *ton; the Federal Communications Commission; the Board*  
16 *of Directors of the Federal Deposit Insurance Corporation*  
17 *(including the Comptroller of the Currency); the Federal*  
18 *Power Commission; the Federal Trade Commission; the*  
19 *Interstate Commerce Commission; the National Labor*  
20 *Relations Board; the National Mediation Board; the*  
21 *Railroad Retirement Board; the Board of Directors of the*  
22 *Reconstruction Finance Corporation; the Securities and*  
23 *Exchange Commission; the Board of Directors of the*  
24 *Tennessee Valley Authority; the Civil Service Commis-*  
25 *sion; the United States Maritime Commission; the United*

1 States Tariff Commission; the Indian Claims Commission;  
2 the War Claims Commission; the Philippine War Damage  
3 Commission; the Board of Commissioners of the District  
4 of Columbia; of the General Counsel of the National Labor  
5 Relations Board; each Assistant Secretary of an executive  
6 department (including the Fiscal Assistant Secretary of  
7 the Treasury) ; each Assistant Attorney General; the Assist-  
8 ant Solicitor General of the United States; the Counselor  
9 of the Department of State; the Second, Third, and Fourth  
10 Assistant Postmasters General; the Associate Federal Medi-  
11 ation and Conciliation Director; the Deputy Director of  
12 Central Intelligence; the Philippine Alien Property Admin-  
13 istrator; the Chief Assistant Librarian of Congress; the  
14 Deputy Public Printer; the Architect of the Capitol; the  
15 Assistant Federal Works Administrator; and of the Gov-  
16 ernors of Alaska, Hawaii, the Virgin Islands, and the  
17 Panama Canal shall be at the rate of ~~\$17,500~~ \$16,000 per  
18 annum. Notwithstanding the Act of February 23, 1931  
19 (5 U. S. C. 152a), the salary of the legal adviser of the  
20 Department of State shall not be increased as a result of  
21 this ~~Act~~ section.

22 (b) The second sentence of section 603 of title 28 of  
23 the United States Code (relating to the compensation of the  
24 Assistant Director of the Administrative Office of the United  
25 States Courts) is amended to read as follows: "The Assistant



1 Director shall receive a salary of ~~\$17,500~~ \$16,000 a year.”

2 SEC. 5. In any case in which the chairman or other  
3 head of a board or commission, the rate of basic compen-  
4 sation for members of which is prescribed by section 4  
5 of this Act, has important duties or responsibilities not  
6 imposed upon other members of such board or commission,  
7 the President is authorized in his discretion to fix the  
8 compensation of such chairman or other head at the rate  
9 of ~~\$20,000~~ \$18,000 per annum.

10 SEC. 6. (a) *The rate of basic compensation of the*  
11 *Commissioner of Internal Revenue, Director of the Federal*  
12 *Bureau of Investigation, Commissioner of Public Roads, Com-*  
13 *missioner of Immigration and Naturalization, Administrator*  
14 *of the Rural Electrification Administration, Commissioner*  
15 *for Social Security, Commissioner of Reclamation, Commis-*  
16 *sioner of Customs, Governor of the Farm Credit Administra-*  
17 *tion, Chief Forester of the Forest Service, three Special*  
18 *Assistants to the Secretary of Defense, Administrator of the*  
19 *Farmers Home Administration, Administrator, Production*  
20 *and Marketing Administration (President, Commodity Cor-*  
21 *poration), Director of Bureau of Prisons, General Manager*  
22 *of the Tennessee Valley Authority, and General Manager of*  
23 *the Atomic Energy Commission, shall be \$16,000 per annum.*

24 (b) *In any case in which the position of head of a*  
25 *bureau or other commensurate major subdivision of an execu-*

1 *tive department or independent agency, board, or commis-*  
2 *sion, or other comparable executive or administrative position,*  
3 *involves important duties and responsibilities making it*  
4 *equivalent in value to positions referred to in subsection*  
5 *(a), the President is authorized in his discretion to fix the*  
6 *compensation applicable to such position at the rate of*  
7 *\$16,000 per annum.*

8 *(c) The authority granted to the President in sub-*  
9 *section (b) shall not be exercised whenever there exist ten*  
10 *positions with respect to which the President has exercised*  
11 *such authority. The President shall report from time to*  
12 *time to the Congress any action taken by him pursuant to*  
13 *subsection (b) or section 5.*

14 SEC. 6 7. (a) Section 304 of the Postal Rate Revision  
15 and Federal Employees Salary Act of 1948 is hereby re-  
16 pealed effective as of July 3, 1948. No additional com-  
17 pensation shall be payable by reason of the enactment of  
18 this section for any period prior to the date of enactment  
19 of this Act in the case of any person who is not an employee  
20 in or under the municipal government of the District of  
21 Columbia on such date of enactment.

22 (b) Effective as of the first day of the first pay period  
23 which began after June 30, 1948, each of the rates of basic  
24 compensation provided by sections 412 and 415 of the  
25 Foreign Service Act of 1946 (U. S. C., title 22, secs. 867



1 and 870) which do not exceed \$10,000 are hereby increased  
 2 by \$330. No additional compensation shall be payable by  
 3 reason of the enactment of this section for any period prior  
 4 to the date of enactment of this Act in the case of any  
 5 person who is not a Foreign Service officer, a *Foreign*  
 6 *Service reserve officer*, or a Foreign Service staff officer  
 7 or employee on such date.

Calendar No. 112

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 498**

[Report No. 130]

## A BILL

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

By Mr. LUCAS, Mr. O'CONNOR, Mr. FLANDERS, and  
Mr. BALDWIN

JANUARY 13, 1949

Read twice and referred to the Committee on Post  
Office and Civil Service

MARCH 18, 1949

Reported with amendments







Mr. WHERRY. Mr. President, I should like to address a question to the Senator from Washington. After all the striking out and the insertion of other language, do we now have a bill which helps public housing, and does it differ generally from what is being done in continental United States?

Mr. CAIN. The bill, as amended, has nothing whatsoever to do with the question of public housing. The bill, in its amended form, has to do with the liberalizing of procedures which are presently followed by "Fanny May" and the FHA, within the continental United States; it gives to the Alaska Housing Authority the right to extend loans for rental and sale housing construction, which right the Authority does not now have; and it permits the HHFA to purchase up to \$15,000,000 of the notes of the Authority which are interest-bearing and repayable in 40 years. The amended bill does these things.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

*Be it enacted, etc., That this act may be cited as the "Alaska Housing Act".*

SEC. 2. (a) Title II of the National Housing Act, as amended, is hereby amended by adding at the end thereof a new section reading as follows:

"Sec. 214. If the Federal Housing Commissioner finds that, because of higher costs prevailing in the Territory of Alaska, it is not feasible to construct dwellings on property located in Alaska without sacrifice of sound standards of construction, design, or livability, within the limitations as to maximum mortgage amounts provided in this act, the Commissioner may, by regulations or otherwise, prescribe, with respect to dollar amount, a higher maximum for the principal obligation of mortgages insured under this act covering property located in Alaska, in such amounts as he shall find necessary to compensate for such higher costs but not to exceed, in any event, the maximum otherwise applicable by more than one-third thereof."

No mortgage with respect to a project or property in Alaska shall be accepted for insurance under this act unless the Commissioner finds that the project or property is an acceptable risk, giving consideration to the acute housing shortage in Alaska: *Provided*, That any such mortgage may be insured or accepted for insurance without regard to any requirement in any other section of this act that the Commissioner finds the project or property to be economically sound or an acceptable risk. Notwithstanding any of the provisions of this act or any other law, the Alaska Housing Authority shall be eligible as mortgagor or mortgagee, as the case may be, for any of the purposes of mortgage insurance under the provisions of this act. Upon application by the mortgagee, where the Alaska Housing Authority is the mortgagor or mortgagee, for the insurance of a mortgage under any provisions of this act, the Commissioner is authorized to insure the mortgage (including advances thereon where otherwise authorized), and to make commitments for the insuring of any such mortgages prior to the date of their execution or disbursement thereon, under such provisions (and this section) without regard to any requirement that the mortgagor shall be the owner and occupant of the property or shall have paid a prescribed amount on account of such property.

(b) The powers of the Federal National Mortgage Association, and of any other Federal corporation on other Federal agency heretofore or hereafter established, to make real-estate loans, or to purchase, service, or sell any mortgages, or partial interests therein, may be utilized in connection with properties or projects in Alaska designed principally for residential use; and, notwithstanding any of the provisions of section 301 of the National Housing Act, as heretofore or hereafter amended, or of any other law unless enacted expressly in limitation hereof, any mortgage loans, or partial interests therein, may be offered to the Federal National Mortgage Association for purchase, and the Association shall be authorized to make real-estate loans, including advances thereon during construction, if such loans or advances are secured by property located in Alaska and insured under any of the provisions of the National Housing Act, as amended.

SEC. 3. (a) In order to relieve the particularly severe impact of the housing shortage in Alaska, the legislature of that Territory may authorize the Alaska Housing Authority, in addition to the housing projects undertaken pursuant to the provisions of the Act of July 21, 1941 (55 Stat. 601; 48 U. S. C., secs. 481-483), as amended, also to undertake other projects for the construction and sale or rental of dwelling accommodations for inhabitants of the Territory, and to make loans for such projects to public agencies, or private nonprofit or limited dividend corporations, or private corporations, which are regulated or restricted by the Authority (until the termination of all loan obligations to it) as to rents or sales, charges, capital structure, rate of return, and methods of operation to such an extent and in such manner as to provide reasonable rentals to tenants and a reasonable return on the investment, and the legislature of that Territory may authorize said authority to make character loans to individuals or cooperatives for the improvement, conversion or construction of dwellings in remote areas to be occupied by such individuals or members of such cooperatives where the loan does not exceed \$500 per dwelling, and any powers of said Authority, including but not limited to powers of eminent domain and issuance of bonds and obligations, with respect to projects undertaken pursuant to the provisions of said act of July 21, 1941, may be made available with respect to projects undertaken pursuant to the authorization provided in this section: *Provided*, That the authorization provided in this section shall be limited to projects where adequate financing on reasonable terms and conditions, or entrepreneurial sponsorship, or both, as the case may be, is not otherwise available: *And provided further*, That any projects constructed and owned by such Authority pursuant to the authorization provided in this section shall be sold for cash or on reasonable terms and giving consideration to full market value, as promptly as may be advantageous under the circumstances and in the public interest: *And provided further*, That such Authority shall exercise its powers under this section to encourage and assist the production, at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life, and the development of well planned residential neighborhoods. Any law enacted by the legislature of the Territory of Alaska which, except for its enactment prior to the enactment of this act, would be authorized under this section, is hereby authorized, and approved, and validated.

(b) To obtain funds for the purpose of undertaking and administering projects or of making loans pursuant to any authority conferred by the Legislature of the Territory

of Alaska under subsection (a) of this section, the Alaska Housing Authority may, on and after the effective date of this act, issue and have outstanding at any one time notes or other obligations for purchase by the Housing and Home Finance Administrator in an amount not to exceed \$15,000,000 and the Housing and Home Finance Administrator is hereby authorized to purchase such notes or other obligations to the extent that funds are available therefor: *Provided*, That such notes and other obligations issued and outstanding for the purpose of making character loans to individuals or cooperatives shall not exceed \$1,000,000. Such notes or other obligations shall be in such forms and denominations, shall have such maturities not exceeding 40 years, and shall be purchased under such general terms and conditions as may be prescribed by the Housing and Home Finance Administrator. Such notes and other obligations shall bear interest at a rate determined by the Housing and Home Finance Administrator, with the approval of the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations.

(c) The Alaska Housing Authority shall make an annual report to the Governor of Alaska on all of the activities of the Authority, for each fiscal year ending June 30, for transmission with his comments and recommendations to the Housing and Home Finance Administrator.

(d) There is hereby authorized to be appropriated to the Housing and Home Finance Administrator, out of any money in the Treasury not otherwise appropriated, not to exceed \$15,000,000 for the purposes of this section. Funds made available to the Administrator pursuant to the provisions of this section shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this section shall be available for any of the purposes of this section. In the performance of, and with respect to, the functions, powers, and duties vested in him by this section, the Administrator, notwithstanding the provisions of any other law, shall maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Administrator as the making of loans or advances of funds and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government.

SEC. 4. The Housing and Home Finance Agency is authorized to provide technical advice and information and otherwise to cooperate to the full extent authorized by law to assist the Alaska Housing Authority in the program to relieve the severe shortage of housing in the Territory.

SEC. 5. Notwithstanding the provisions of sections 4 and 301 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, with respect to the disposition of housing of a permanent character, any such housing in Alaska under the jurisdiction of the Housing and Home Finance Administrator which has been reserved (in whole or in part), prior to the enactment of this act, for employees of an agency of the Federal Government may be retained by him for employees of that agency for such time as he determines such action necessary to provide adequate housing accommodations for them in the area.



SEC. 6. Any executive department or agency of the Federal Government is hereby authorized to sell, transfer, and convey to the Alaska Housing Authority at fair value (as determined by such department or agency), for use under this act, all or any right, title, and interest in any real or personal property under the jurisdiction of such department or agency which it determines to be in excess of its own requirements, notwithstanding any limitations or requirements of law with respect to the use or disposition of such property: *Provided*, That the authority conferred by this section shall be in addition to and not in derogation of any other powers and authorities of such department or agency.

Amend the title so as to read: "A bill to promote the settlement and development of the Territory of Alaska by facilitating the construction of necessary housing therein, and for other purposes."

The title was amended so as to read: "A bill to promote the settlement and development of the Territory of Alaska by facilitating the construction of necessary housing therein, and for other purposes."

#### BILL PASSED OVER

The bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. Mr. President, I object.

The PRESIDING OFFICER. The bill will be passed over.

#### JUDICIAL SALARIES IN HAWAII

The bill (S. 566) to fix the salaries of certain justices and judges of the Territory of Hawaii was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the following salaries shall be paid to the several justices and judges hereinafter mentioned, namely:

To the chief justice of the Supreme Court of the Territory of Hawaii, \$15,500 per year, and to each of the associate justices thereof, \$15,000 per year.

To each of the judges of the circuit courts of the Territory of Hawaii, \$12,500.

SEC. 2. All of said salaries shall be paid in equal monthly installments.

SEC. 3. This act shall take effect on the first day of the first month next following its approval.

#### DESTRUCTION OF LETTER BOXES OR MAIL

The bill (S. 1043) to amend section 1705 of title 18 of the United States Code was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That section 1705 of title 18 of the United States Code is hereby amended to read as follows:

"SEC. 1705. Destruction of letter boxes or mail: Whoever willfully or maliciously injures, tears down, or destroys any letter box or other receptacle intended or used for the receipt or delivery of mail on any mail route, or breaks open the same, or willfully or maliciously injures, defaces, or destroys any mail deposited therein, shall be fined not more than \$1,000 or imprisoned not more than 3 years."

#### EXTENSION OF TIME FOR FILING CLAIMS

The bill (S. 1030) to amend the Federal Tort Claims Act to increase the time

within which claims under such act may be presented to Federal agencies or prosecuted in the United States district courts was announced as next in order.

Mr. McCARRAN. Mr. President, an identical bill, Calendar No. 193, House bill 779, is on the calendar, and I ask unanimous consent that the House bill be substituted for the Senate bill and be now considered.

Mr. GEORGE. Mr. President, may I ask the distinguished chairman of the Committee on the Judiciary if the bills are identical?

Mr. McCARRAN. They are identical, except that the title of the House bill should be amended.

Mr. GEORGE. They are identical in substance?

Mr. McCARRAN. The substance is the same.

Mr. SCHOEPEL. Mr. President, may we have a detailed explanation of the bill?

Mr. McCARRAN. Mr. President, the bill increases the time within which claims under the Tort Claims Act may be presented to Federal agencies. That is all the bill provides; it merely extends for 1 year the time for the presentation of claims under the Tort Claims Act.

Mr. WHERRY. Mr. President, I believe the Senate Judiciary Committee reported the bill with an amendment. I notice the House bill does not have an amendment. Does the amendment to the Senate bill run to the title merely?

Mr. McCARRAN. Only to the title. The Senate committee reported the bill with a change of title. When the Senate takes up the House bill, it is the same as the Senate bill, with the unanimous recommendation of the Committee on the Judiciary of the Senate.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 779) to amend the Federal Tort Claims Act to increase the time within which claims under such act may be presented to Federal agencies or prosecuted in the United States district courts, which was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend title 28 of the United States Code to provide additional time for bringing suit against the United States in the case of certain tort claims, and for other purposes."

The PRESIDING OFFICER. Without objection, Senate bill 1030 will be indefinitely postponed.

#### SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 23) favoring the suspension of deportation of certain aliens, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the concurrent resolution?

Mr. RUSSELL. Mr. President, I should like to have some Senator explain the resolution. I observe that there are some four or five measures on the Calendar postponing the deportation of aliens,

ranging from 10 pages of names to 16 pages of names. I should like to have some Senator explain the concurrent resolution.

Mr. MAGNUSON. Mr. President, Congress passed a bill during the Eightieth Congress whereby the Attorney General was permitted to suspend the deportation of certain aliens if their deportation would jeopardize the financial interests of any American corporation or person. We also required in the bill that when he suspended the deportation of any aliens, he must take affirmative action and submit the names to the Congress for their approval.

In the Committee on the Judiciary we receive several names every week, and we report them to the Senate. In other words, we are merely taking action in conformity with the bill we passed and the mandate we gave the Attorney General to submit the names to us.

Mr. McCARRAN. Mr. President, I should like to say, further, by way of explanation to the distinguished Senator from Georgia, that the Department of Justice has always had the right to suspend deportations. We put a limitation on that right of suspension, providing that the suspensions when made by the Department of Justice must be submitted to the Congress. These bills come to the Committee on the Judiciary under the Reorganization Act. The names of the suspended aliens are screened by the staff and by the Committee on the Judiciary, and in many instances we refuse to go along with the Department of Justice. For instance, in the group now pending before the Senate, I think we eliminated about 34 or 35 names. The others, after a complete investigation, we approved.

Mr. RUSSELL. Mr. President, that answers the principal question I had in mind. I had some little familiarity with the basic legislation involved, but here are several hundred names of those who, under our laws, are subject to deportation, and I wanted to know whether the committee undertook to screen them, and to determine whether there was merit in the cases.

Mr. McCARRAN. We not only undertake to screen them, but we assign staff members to the work of screening, and they go into them in detail.

Mr. RUSSELL. I am delighted to hear that, because my experience in the past indicated that the Department of Justice was not too careful in dealing with these cases. I am glad to hear that the Committee on the Judiciary is screening and investigating the names.

Mr. McCARRAN. Let me say to the Senator and to the Senate that this is one of the trying problems which was given over to the Committee on the Judiciary by the Reorganization Act. It is a perplexing problem, and one to which we give careful study at all times.

The PRESIDING OFFICER. Is there objection to the consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 23) was considered, and agreed to as follows:

*Resolved, etc.*, That the Congress favors the suspension of deportation in the case







INCREASING RATES OF COMPENSATION OF THE HEADS  
AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS  
AND INDEPENDENT AGENCIES

---

MAY 9, 1949.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

---

Mr. MURRAY of Tennessee, from the Committee on Post Office and  
Civil Service, submitted the following

R E P O R T

[To accompany H. R. 1689]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$25,000 per annum.

SEC. 2. (a) The rate of basic compensation of the Administrator for Economic Cooperation, the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, each Under Secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, and the First Assistant Postmaster General shall be \$20,000 per annum.

(b) Section 105 of title 3 of the United States Code is amended to read as follows:

“COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINIS-  
TRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

“§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$16,000 per annum.”

(c) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: "The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."

SEC. 3. (a) The rate of basic compensation of the Housing and Home Finance Administrator, the Federal Works Administrator, the Chairman of the Atomic Energy Commission, the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Deputy Administrator for Economic Cooperation, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, and the Deputy Administrator of Veterans' Affairs shall be \$18,000 per annum.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$17,500 a year."

(c) The rate of basic compensation of the Public Printer, the Librarian of Congress, the members (other than the Chairman) of the Council of Economic Advisers, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, and the Assistant Federal Security Administrator shall be \$17,500 per annum.

SEC. 4. The rate of basic compensation of the members of the Board of Governors of the Federal Reserve System; the Director of Aeronautical Research of the National Advisory Committee for Aeronautics; members of the Civil Aeronautics Board; the Chairman of the Board of Directors of the Export-Import Bank of Washington; members of the Federal Communications Commission; members of the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency); members of the Federal Power Commission; members of the Federal Trade Commission; members of the Interstate Commerce Commission; members of the National Labor Relations Board; members of the National Mediation Board; members of the Railroad Retirement Board; the Chairman of the Board of Directors of the Reconstruction Finance Corporation; members of the Securities and Exchange Commission; members of the Board of Directors of the Tennessee Valley Authority; members of the Civil Service Commission; the Chairman of the United States Maritime Commission; members of the United States Tariff Commission; members (other than the Chairman) of the Atomic Energy Commission; the General Counsel of the National Labor Relations Board; the Architect of the Capitol; and the Assistant Federal Works Administrator shall be at the rate of \$16,000 per annum.

SEC. 5. (a) The rate of basic compensation of the Housing Expediter; the War Assets Administrator; the Director of Selective Service; the Archivist of the United States; members of the Displaced Persons Commission; members of the Indian Claims Commission; members of the War Claims Commission; members of the Philippine War Damage Commission; members of the Board of Commissioners of the District of Columbia; each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury); each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington; members (other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation; members (other than the Chairman) of the United States Maritime Commission; Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Director, Federal Bureau of Investigation; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; the three Special Assistants to the Secretary of Defense; and of the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal shall be at the rate of \$15,000 per annum. Notwithstanding section 30 of the Act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), the salary of the Legal Adviser of the Department of State shall continue to be at the rate of \$10,330 per annum.

(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$15,000 a year."

(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

SEC. 6. In any case in which the chairman or other head of a board or commission and the other members of such board or commission receive the same rate of basic compensation under this Act, and such chairman or other head has important duties or responsibilities not imposed upon other members of such board or commission, the President is authorized in his discretion to fix the compensation of such chairman or other head at the rate of \$18,000 per annum.

SEC. 7. (a) Section 304 of the Postal Rate Revision and Federal Employees Salary Act of 1948 is hereby repealed effective as of July 3, 1948. No additional compensation shall be payable by reason of the enactment of this section for any period prior to the effective date of this Act in the case of any person who is not an employee in or under the municipal government of the District of Columbia on such date.

(b) Effective as of the first day of the first pay period which began after June 30, 1948, each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946 (U. S. C., title 22, secs. 867 and 870) which do not exceed \$10,000 are hereby increased by \$330. No additional compensation shall be payable by reason of the enactment of this section for any period prior to the effective date of this Act in the case of any person who is not a Foreign Service officer, a Foreign Service Reserve officer, or a Foreign Service staff officer or employee on such date.

(c) No person whose compensation is increased by this section shall be entitled to any overtime pay, or compensation for night and holiday work, as provided in sections 201, 301, and 302 of the Federal Employees Pay Act of 1945, as amended, based on the additional compensation provided by this section for any pay period ending prior to the effective date of this Act.

SEC. 8. This Act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act.

PURPOSE OF AMENDMENT

The purpose of the amendment is to strike out all after the enacting clause and insert new language agreed to by the committee. (In the discussion below under "Statement" reference will be made to the new language of the bill.)

STATEMENT

The purpose of this bill is: (1) to establish proper rates of annual compensation for the heads and assistant heads of executive departments and agencies; (2) to increase the salaries of 7,598 classified Federal employees in the municipal government of the District of Columbia by \$330 annually, retroactive to July 1948; and (3) to provide a \$330 annual salary increase in the compensation of the 6,000 officers and employees of the Foreign Service, retroactive to July 1948.

The following chart shows the number of positions affected by the bill and the estimated cost of the legislation:

*Estimated cost of H. R. 1689, as reported*

	Number of posi- tions	Estimated annual cost of bill
Secs. 1 through 6: Increase in compensation of top-bracket positions listed in appendix A.....	244	\$1, 237, 173
Sec. 7:		
7 (a) District of Columbia.....	7, 598	2, 507, 340
7 (b) Foreign Service of the United States, Department of State.....	6, 000	1, 980, 000
Total.....	13, 842	5, 724, 513



Extensive hearings were conducted with respect to this legislation, and after much consideration a majority of the committee agreed to establish the annual compensation of 244 heads and assistant heads of executive departments and independent agencies as shown in the bill, as reported, and in appendix A, page 13.

Section 1 establishes the compensation of the head of each executive department and of the Secretary of Defense at \$25,000 per annum. At present the compensation of Cabinet members is \$15,000 per annum, and in no case has been changed since 1925. In the judgment of the committee, upward revisions in the compensation of these important government officials are long overdue.

Section 2 (a) establishes the compensation of the Comptroller General, the Director of the Bureau of the Budget, the Chairman of the Council of Economic Advisers, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator for Economic Cooperation, each Under Secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, and the First Assistant Postmaster General at \$20,000 per annum. In section 2 (b) the President is authorized to fix the compensation of his six Administrative Assistants, the Executive Secretary of the National Security Council and five other secretaries or staff assistants in the White House Office as follows: two at rates not exceeding \$20,000 annually, three not exceeding \$18,000 annually, and seven not exceeding \$16,000 annually.

Section 3 establishes the annual compensation of the Housing and Home Finance Administrator, Federal Works Administrator, the Chairman of the Atomic Energy Commission, Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Deputy Administrator for Economic Cooperation, the Assistant Comptroller General, the Assistant Director of the Bureau of the Budget, and the Deputy Administrator of Veterans' Affairs at \$18,000, and the compensation of the Director of the Administrative Office of the United States Courts, the Public Printer, the Librarian of Congress, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Assistant Federal Security Administrator, and the members (other than the Chairman) of the Council of Economic Advisers, at \$17,500 annually.

Section 4 establishes the annual compensation of the Board of Governors of the Federal Reserve System, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, the Chairman of the Board of Directors of the Export-Import Bank of Washington, the Comptroller of the Currency, the Chairman of the Board of Directors of the Reconstruction Finance Corporation, the Chairman of the United States Maritime Commission, the General Counsel of the National Labor Relations Board, the Architect of the Capitol, the Assistant Federal Works Administrator, and the members of the Civil Aeronautics Board, Federal Communications Commission, Board of Directors of the Federal Deposit Insurance Corporation, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, National Labor Relations Board, National Mediation Board, Railroad Retirement Board, Securities and Exchange Commission, Board of Directors of the Tennessee Valley Authority, Civil Service Commission, United States Tariff Commission, and Atomic Energy Commission (other than the Chairman), at \$16,000.

Section 5 establishes the annual compensation of the Housing Expediter; the War Assets Administrator; the Director of Selective Service; the Archivist of the United States; Assistant Director of the Administrative Office of the United States Courts; each Assistant Secretary of an executive department; the Fiscal Assistant Secretary of the Treasury; each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; the Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Director, Federal Bureau of Investigation; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; the three Special Assistants to the Secretary of Defense; the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal; and the members of the Displaced Persons Commission, Indian Claims Commission, War Claims Commission, Philippine War Damage Commission, Board of Commissioners of the District of Columbia, Board of Directors of the Export-Import Bank of Washington (other than the Chairman), Board of Directors of the Reconstruction Finance Corporation (other than the Chairman), United States Maritime Commission (other than the Chairman), at \$15,000. The annual compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate is established at \$12,000 per annum.

Section 6 provides that the President is authorized in his discretion to increase the compensation of any chairman or other head of a board or commission to \$18,000 per annum, when such head has important duties or responsibilities not imposed upon the other members of such board or commission.

Section 7 (a) proposes to effect a readjustment in the salaries of classified Federal employees in the municipal government of the District of Columbia. Under this provision, these employees who were omitted from the Postal Rate Revision and Federal Employees' Salary Act of 1948, will receive an increase of \$330 annually, retroactive to July 1948. There are 7,598 District of Columbia employees affected, and the cost of such increase has been estimated by the Bureau of the Budget to be \$2,507,340 annually.

Section 7 (b) provides a \$330 annual salary adjustment, retroactive to July 1948, in the compensation of 6,000 officers and employees of the Foreign Service whose rates of basic compensation are provided for under the Foreign Service Act of 1946. Such employees did not receive the \$330 annual increase provided for other Federal employees under the Postal Rate Revision and Federal Employees' Salary Act of 1948, which became effective in July 1948. The Bureau of the Budget estimates that the annual cost of this subsection will be \$1,980,000.



Section 8 provides that the effective date of the legislation shall be the first day of the first pay period which begins after the date of its enactment. This will facilitate the administration of the legislation, and eliminate unnecessary bookkeeping and pay-roll accounting.

The committee believes that in view of the important responsibilities and duties of the heads and assistant heads of Government departments and agencies the annual salary increases provided for in the bill are moderate and are justified. Past adjustments in the compensation of such officials have been on a piecemeal basis from time to time as Congress recognized the necessity for action to secure particularly qualified individuals for important assignments. The pattern of annual pay rates adopted by the committee has established the relationship which should exist between the annual compensation for the heads of the executive departments and such compensation for the heads of the independent agencies, establishments, commissions, and boards.

In cooperation with the Bureau of the Budget, the committee secured detailed information with respect to the duties and responsibilities of the 244 Government officials whose salaries are increased under the provisions of the bill. Appendix B on page 16 contains the following information regarding each position covered by the bill: the position title, a brief description of the duties and responsibilities, the present salary and the date upon which such salary was established, the proposed salary, the name of the incumbent and the State of his residence, the number of employees supervised and the estimated expenditures for the fiscal year 1949 by the agency in which the position is located.

This is the first time information of this nature has been assembled, and it is believed that such information will be of value in appraising the importance of the duties of the positions covered by the bill.

The salary increases for these 244 important Government officials will cost \$1,237,173 annually. The committee believes that this small investment in terms of securing and retaining highly competent Government officials will be beneficial to the American people.

The committee believes this legislation will provide appropriate incentives in terms of annual compensation to attract well qualified and able top-level officials into the Federal Government. As heads and assistant heads of executive departments and agencies, they should conduct the affairs of our country more efficiently and more economically. They will bring with them into the Federal service extensive experience in handling the affairs of companies in private industry. They will initiate new procedures and devices for decreasing the cost of government which will result in savings of many millions of dollars which will more than offset the moderate increases proposed in the bill.

In the judgment of the committee, failure to take favorable action on this measure on the grounds that the annual appropriation of a little more than a million dollars is too exorbitant will be "penny-wise and pound-foolish."

During consideration of this measure the committee's attention was directed to the fact that within the past several years our Government has suffered because some of its best-qualified and highly competent officials holding positions covered by the bill left the Federal service because they could not afford to remain at their present salaries. The

committee considers it incongruous that the Government of the United States, which is charged with the responsibility of administering the affairs of 145,000,000 people and whose budget is over \$40,000,000,000 annually, cannot afford to pay the heads and assistant heads of the departments and agencies sufficient income to keep them in the Federal service. While it is recognized that compensation alone is not the only incentive for attracting competent persons into the Federal service, it is important that such compensation bear a reasonable relationship to the duties and responsibilities of the positions being filled.

In its report to the Congress in February 1949 the Commission on Organization of the Executive Branch of the Government, usually referred to as the Hoover Commission, stated that the Congress should "increase legislative, judicial, and executive salaries at the level of Assistant Secretary, or its equivalent, and above." The bill approved by the committee establishes annual compensation consistent with the report of the Commission's task force.

Witnesses appearing before the committee represented the General Accounting Office, the Bureau of the Budget, the Civil Service Commission, and the Commission on Organization of the Executive Branch of the Government. They stressed the necessity for immediate salary revisions for the more than 200 heads and assistant heads of the executive departments and agencies and independent establishments. Additional statements were submitted to the committee by Federal and postal employees' organizations, and by executives in private industry who supported the policy expressed in the bill.

The committee made downward adjustments in the increases proposed in the bill as introduced, but it believes the compensations fixed by the bill as reported are fair and reasonable. The annual compensation fixed by the committee is based upon the duties and responsibilities of the positions covered by the bill. Surveys show that the compensation paid executives in private industry far exceeds that which is paid Government executives performing even more important work. It is recognized that the Federal Government can never compete with private industry in this respect. However, the annual compensation provided for in the bill establishes a better relationship between Government and private industry than exists at the present time.

Since July 1, 1945, the annual compensation of Federal employees has been substantially increased. The heads and assistant heads of the departments and agencies covered by this bill have not received such statutory increases. Except in a few cases, upward salary adjustments have not been made during the past 25 years in the salaries of the 244 top-level officials included in the bill. Moreover, in those instances where the annual compensation of heads and assistant heads of independent establishments and agencies has been fixed since 1940, the salary adjustments have resulted in a disproportionate relationship between those positions and similar positions established prior to the war years.

In establishing the annual compensation for heads and assistant heads of agencies created since World War II, a more realistic approach has been made by Congress, e. g., the Administrator for Economic Cooperation receives a salary of \$20,000 annually, the Deputy Administrator for Economic Cooperation \$17,500 annually, the Chairman of the Atomic Energy Commission \$17,500 annually, the Housing and Home Finance Administrator \$16,500 annually, and the members



of the Council of Economic Advisers \$15,000 annually. In view of the recent action by Congress with respect to these salaries the committee made only minor adjustments in them. Also, such congressional action served as a guide to the committee in establishing the compensation of the remainder of the positions covered by the bill.

The committee recognizes that consideration should be given to a comprehensive revision of the entire salary structure of the Federal Government, and intends to give this matter attention as soon as possible. However, it must be stressed that this legislation is the first step toward a realistic revision of the Government's pay structure.

The foregoing statement represents the views of a majority of the members of the committee.

The reports concerning this legislation from the Bureau of the Budget and the Civil Service Commission, both dated February 3, 1949, and a letter from the President of the United States to the Speaker of the House of Representatives with respect to this problem, dated January 6, 1949, are as follows:

UNITED STATES CIVIL SERVICE COMMISSION,  
Washington 25, D. C., February 3, 1949.

HON. TOM MURRAY,  
*Chairman, Committee on Post Office and Civil Service,  
United States House of Representatives*

DEAR MR. MURRAY: Receipt is acknowledged of your letter of January 28, 1949, requesting the Commission's views with respect to H. R. 1689, a bill "To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies."

H. R. 1689 consists of the unenacted provisions of S. 103. This bill was reported out favorably by the Senate Post Office and Civil Service Committee on January 11, 1949, considered on the floor of the Senate on January 13, 1949, and passed with certain provisions, now in H. R. 1689, eliminated.

These provisions—

1. Would establish a new pay schedule for heads and assistant heads of executive departments and independent agencies, members of independent boards and commissions, governors of territories or possessions (except Puerto Rico), and certain White House officials. A salary rate of \$25,000 is established for heads of executive departments, in lieu of the present rate of \$15,000 per annum. For the other positions a new range of pay is fixed with rates of \$17,500, \$20,000, and \$22,500. Each of these rates is applied to the positions specifically enumerated in the various sections of the bill.

2. Would apply to statutory rates of pay in the District of Columbia municipal government (except those for police, fire fighters, and teachers) and in the Foreign Service of the United States under the State Department, the \$330 increase authorized generally by Public Law 900, Eightieth Congress, effective July 11, 1948, from the benefits of which these groups have been excluded.

The Commission has on several occasions since 1945 emphasized the need for a systematic, comprehensive rescheduling of the salary rates for the topmost administrative and executive positions in the Federal Government. Legislation accomplishing this purpose has long been needed. It is a prerequisite, it seems to us, to a sound and lasting solution, through a revision of the Classification Act of 1923, as amended, of the problem of revising existing salary rates for positions, such as heads of bureaus which are, organizationally at least, just below those covered by H. R. 1689.

We are in favor of extending the \$330 per annum increase of last July to those employees of the District of Columbia municipal government who theretofore had received the benefits of the Federal Employees Pay Acts of 1945 and 1946.

We believe that the same action should be taken with reference to the statutory pay scales under the Foreign Service Act of 1946. However, unlike the District of Columbia employees, none of the officers or employees in the Foreign Service of the United States under the State Department is compensated under the Classification Act of 1923, as amended. That Service has its own set of compensation schedules, consisting of three parts: One for ambassadors and other chiefs of mission, one for Foreign Service officers, and one for Foreign Service

staff officers and employees. The ceiling rate of the topmost schedule was raised from \$17,500 to \$25,000 in 1946, and the whole set of schedules was then reconstructed. Whether or not this matter is under the jurisdiction of the House Post Office and Civil Service Committee, we believe that concurrently with a revision of the Classification Act of 1923, as amended, there should be a parallel revision of the Foreign Service schedules.

We recommend enactment of H. R. 1689. The committee's report on S. 103 (S. Rept. No. 1, 81st Cong.) treats the subject fully. H. R. 1689 is highly desirable legislation that should be promptly enacted.

The proposed bill is in accord with the President's financial and administrative program. On January 6, 1949, he recommended, in a letter to the Speaker of the House of Representatives, House Document No. 34, the passage of legislation of this type.

By direction of the Commission:

Sincerely yours,

HARRY B. MITCHELL,  
*President.*

---

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
*Washington 25, D. C., February 3, 1949.*

HON. TOM MURRAY,  
*Chairman, Committee on Post Office and Civil Service,  
House of Representatives,  
Washington 25, D. C.*

MY DEAR MR. MURRAY: The Bureau appreciates your invitation of January 24, 1949, to report upon H. R. 1689, which proposes to increase the compensation of the heads of the executive departments, the Secretary of Defense, the heads of independent agencies of the Government, and certain other specified officials. We note that, in addition, the bill makes provision for granting to employees of the District of Columbia government, and certain Foreign Service officers and personnel, the pay increase of \$330 which was extended to Government employees generally by the Federal Employees Salary Act of 1948.

The President has on numerous occasions indicated his desire to see these objectives achieved. His reasons for this position were made available as recently as December 31, 1948, in the testimony presented to a subcommittee of the Senate Civil Service Committee by Mr. James E. Webb, former Director of the Bureau of the Budget, upon S. 103. Sections 2 through 8 of this latter bill are virtually identical with the provisions of H. R. 1689.

The Bureau feels no hesitancy, therefore, in reporting that the enactment of H. R. 1689 would be in accord with the program of the President.

Sincerely yours,

FRANK PACE, JR., *Director.*

---

THE WHITE HOUSE,  
*Washington, January 6, 1949.*

THE HONORABLE THE SPEAKER OF THE HOUSE OF REPRESENTATIVES,  
*Washington, D. C.*

DEAR MR. SPEAKER: I request that the Congress take prompt action to increase the compensation of the heads and assistant heads of the executive departments and of other Government officers of comparable rank.

Inadequate salaries have long made it difficult to obtain and hold able men for positions of greatest responsibility in the Government service. For most of those positions, there have been no pay increases in many years. In the meantime, other salaries, in both government and industry, have risen sharply, and opportunities for larger compensation in private industry have greatly expanded.

In recent years, the difficulties of obtaining and holding the best qualified citizens for official positions has definitely impaired the Government service. This condition has now progressed to the point where it constitutes a serious threat to the efficiency of the Government.

The men who hold the offices in question must translate into action the policies determined upon by the Congress. Their ability determines in large measure whether these policies are to succeed or fail. The national interest requires that we get and keep in these positions the most capable men and women that can be found. To do this, we must pay fair salaries.

I recognize that the Government cannot pay salaries equal to those in private industry for positions of comparable importance. But it can reduce the discrepancy enough to permit able and public-spirited citizens to serve the Government without too great a disadvantage.

Fortunately, the Congress is in a position to take intelligent and considered action on this problem without delay. Within the last month, extensive evidence on the subject has been presented to a Senate subcommittee and is now available to the Congress. This evidence includes supporting testimony by former President Hoover, as Chairman of the Commission on Organization of the Executive Branch of the Government. The subcommittee examined the problem carefully, fairly, and without partisanship. The bill which they developed, and which has now been introduced in the Eighty-first Congress, is the result of more than a year's study.

That bill establishes a salary range of from \$17,500 to \$25,000 for the officials in question. These provisions are in accordance with recommendations made to the subcommittee by the Administration. I urge their passage in their present form. Questions concerning the compensation of Federal officers and employees not included in this bill should not be permitted to impede or delay its passage, but should be considered separately at an early date.

On January 20, a new Presidential term will begin. During that term the executive branch of the Government will be called upon to bear responsibilities of great magnitude. Prompt action on this bill is of great importance to me in strengthening the management of the executive branch to meet those responsibilities. Its small cost will be repaid many times. I ask the Congress to give me the means which will make it possible for me to get and keep the men who are required for the job ahead.

I hope that this legislation will be enacted into law immediately.

Sincerely yours,

HARRY S. TRUMAN.

#### CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

#### TITLE 3 OF UNITED STATES CODE

##### 【SECRETARY TO THE PRESIDENT; COMPENSATION

【§ 105. The compensation for the position of Secretary to the President shall be at the rate of \$10,000 per annum.】

#### COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

*SEC. 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$22,500 per annum, three at rates not exceeding \$20,000 per annum, and seven at rates not exceeding \$17,500 per annum.*

#### ADMINISTRATIVE ASSISTANTS

§ 106. The President is authorized to appoint not to exceed six administrative assistants and to fix 【the compensation of each at the rate of not more than \$10,000 per annum】 *their compensation in accordance with section 105 of this title.* \* \* \*

#### TITLE 28 OF UNITED STATES CODE

##### § 603. Salaries

The Director shall receive a salary of 【\$10,000】 \$20,000 a year. The Assistant Director shall receive a salary of 【\$7,500】 \$17,500 a year.

\* \* \* \* \*



## POSTAL RATE REVISION AND FEDERAL EMPLOYEES SALARY ACT OF 1948

[Sec. 304. The provisions of this Act granting an increase in compensation to employees of the United States and of the District of Columbia shall not apply to any employee in or under the municipal government of the District of Columbia prior to the time that legislation providing adequate revenues to meet the obligation in the District of Columbia is enacted by the Congress and becomes effective.]

## FOREIGN SERVICE ACT OF 1946

## FOREIGN SERVICE OFFICERS

SEC. 412. There shall be seven classes of Foreign Service officers, including the class of career minister. The per annum salary of a career minister shall be \$13,500. The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

Class 1, \$12,000, \$12,400, \$12,800, \$13,200, \$13,500;  
 Class 2, **[\$10,000]** *\$10,330, \$10,350, \$10,700, \$11,050, \$11,400, \$11,750, \$11,900;*  
**[Class 3, \$8,000, \$8,300, \$8,600, \$8,900, \$9,200, \$9,500, \$9,800, \$9,900;  
**[Class 4, \$6,000, \$6,300, \$6,600, \$6,900, \$7,200, \$7,500, \$7,800, \$7,900;  
**[Class 5, \$4,500, \$4,700, \$4,900, \$5,100, \$5,300, \$5,500, \$5,700, \$5,900;  
**[Class 6, \$3,300, \$3,500, \$3,700, \$3,900, \$4,100, \$4,300, \$4,400.]**  
*Class 3, \$8,330, \$8,630, \$8,930, \$9,230, \$9,530, \$9,830, \$10,130, \$10,230;*  
*Class 4, \$6,330, \$6,630, \$6,930, \$7,230, \$7,530, \$7,830, \$8,130, \$8,230;*  
*Class 5, \$4,830, \$5,030, \$5,230, \$5,430, \$5,630, \$5,830, \$6,030, \$6,230;*  
*Class 6, \$3,630, \$3,830, \$4,030, \$4,230, \$4,430, \$4,630, \$4,730.*******

\*

\*

\*

\*

\*

\*

\*

## FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES

SEC. 415. There shall be twenty-two classes of Foreign Service staff officers and employees, referred to hereafter as staff officers and employees. The per annum rates of salary of staff officers and employees within each class shall be as follows:

**[Class 1, \$8,820, \$9,120, \$9,420, \$9,720, \$10,000;**  
**[Class 2, \$8,100, \$8,340, \$8,580, \$8,820, \$9,120;**  
**[Class 3, \$7,380, \$7,620, \$7,860, \$8,100, \$8,340;**  
**[Class 4, \$6,660, \$6,900, \$7,140, \$7,380, \$7,620;**  
**[Class 5, \$6,120, \$6,300, \$6,480, \$6,660, \$6,900, \$7,140;**  
**[Class 6, \$5,580, \$5,760, \$5,940, \$6,120, \$6,300, \$6,480;**  
**[Class 7, \$5,040, \$5,220, \$5,400, \$5,580, \$5,760, \$5,940;**  
**[Class 8, \$4,500, \$4,680, \$4,860, \$5,040, \$5,220, \$5,400;**  
**[Class 9, \$3,960, \$4,140, \$4,320, \$4,500, \$4,680, \$4,860;**  
**[Class 10, \$3,600, \$3,720, \$3,840, \$3,960, \$4,140, \$4,320, \$4,500;**  
**[Class 11, \$3,240, \$3,360, \$3,480, \$3,600, \$3,720, \$3,840, \$3,960;**  
**[Class 12, \$2,880, \$3,000, \$3,120, \$3,240, \$3,360, \$3,480, \$3,600;**  
**[Class 13, \$2,520, \$2,640, \$2,760, \$2,880, \$3,000, \$3,120, \$3,240;**  
**[Class 14, \$2,160, \$2,280, \$2,400, \$2,520, \$2,640, \$2,760, \$2,880;**  
**[Class 15, \$1,980, \$2,040, \$2,100, \$2,160, \$2,280, \$2,400, \$2,520;**  
**[Class 16, \$1,800, \$1,860, \$1,920, \$1,980, \$2,040, \$2,100, \$2,160;**  
**[Class 17, \$1,620, \$1,680, \$1,740, \$1,800, \$1,860, \$1,920, \$1,980;**  
**[Class 18, \$1,440, \$1,500, \$1,560, \$1,620, \$1,680, \$1,740, \$1,800;**  
**[Class 19, \$1,260, \$1,320, \$1,380, \$1,440, \$1,500, \$1,560, \$1,620;**  
**[Class 20, \$1,080, \$1,140, \$1,200, \$1,260, \$1,320, \$1,380, \$1,440;**  
**[Class 21, \$900, \$960, \$1,020, \$1,080, \$1,140, \$1,200, \$1,260;**  
**[Class 22, \$700, \$780, \$840, \$900, \$960, \$1,200, \$1,080]**  
*Class 1, \$9,150, \$9,450, \$9,750, \$10,050, \$10,330;*  
*Class 2, \$8,430, \$8,670, \$8,910, \$9,150, \$9,450;*  
*Class 3, \$7,710, \$7,950, \$8,190, \$8,430, \$8,670;*  
*Class 4, \$6,990, \$7,230, \$7,470, \$7,710, \$7,950;*  
*Class 5, \$6,450, \$6,630, \$6,810, \$6,990, \$7,230, \$7,470;*  
*Class 6, \$5,910, \$6,090, \$6,270, \$6,450, \$6,630, \$6,810;*  
*Class 7, \$5,370, \$5,550, \$5,730, \$5,910, \$6,090, \$6,270;*  
*Class 8, \$4,830, \$5,010, \$5,190, \$5,370, \$5,550, \$5,730;*  
*Class 9, \$4,290, \$4,470, \$4,650, \$4,830, \$5,010, \$5,190;*  
*Class 10, \$3,930, \$4,050, \$4,170, \$4,290, \$4,470, \$4,650, \$4,830;*  
*Class 11, \$3,570, \$3,690, \$3,810, \$3,930, \$4,050, \$4,170, \$4,290;*



*Class 12*, \$3,210, \$3,330, \$3,450, \$3,570, \$3,690, \$3,810, \$3,930;  
*Class 13*, \$2,850, \$2,970, \$3,090, \$3,210, \$3,330, \$3,450, \$3,570;  
*Class 14*, \$2,490, \$2,610, \$2,730, \$2,850, \$2,970, \$3,090, \$3,210;  
*Class 15*, \$2,310, \$2,370, \$2,430, \$2,490, \$2,610, \$2,730, \$2,850;  
*Class 16*, \$2,130, \$2,190, \$2,250, \$2,310, \$2,370, \$2,430, \$2,490;  
*Class 17*, \$1,950, \$2,010, \$2,070, \$2,130, \$2,190, \$2,250, \$2,310;  
*Class 18*, \$1,770, \$1,830, \$1,890, \$1,950, \$2,010, \$2,070, \$2,130;  
*Class 19*, \$1,590, \$1,650, \$1,710, \$1,770, \$1,830, \$1,890, \$1,950;  
*Class 20*, \$1,410, \$1,470, \$1,530, \$1,590, \$1,650, \$1,710, \$1,770;  
*Class 21*, \$1,230, \$1,290, \$1,350, \$1,410, \$1,470, \$1,530, \$1,590;  
*Class 22*, \$1,050, \$1,110, \$1,170, \$1,230, \$1,290, \$1,350, \$1,410.

## APPENDIX A

*Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689 and H. R. 1689 as amended by House Post Office and Civil Service Committee, with increases*

Positions included in H. R. 1689, as amended	Num- ber	Annual compensation			Increase <sup>1</sup>
		Present	H. R. 1689	H. R. 1689, amended	
SEC. 1					
Secretary, Department of State.....	1	\$15,000	\$25,000	\$25,000	\$10,000
Secretary, Department of the Treasury.....	1	15,000	25,000	25,000	10,000
Secretary of Defense.....	1	15,000	25,000	25,000	10,000
Secretary, Department of the Army.....	1	15,000	25,000	25,000	10,000
Secretary, Department of the Navy.....	1	15,000	25,000	25,000	10,000
Secretary, Department of the Air Force.....	1	15,000	25,000	25,000	10,000
Attorney General, Department of Justice.....	1	15,000	25,000	25,000	10,000
Postmaster General, Post Office Department.....	1	15,000	25,000	25,000	10,000
Secretary, Department of Interior.....	1	15,000	25,000	25,000	10,000
Secretary, Department of Agriculture.....	1	15,000	25,000	25,000	10,000
Secretary, Department of Commerce.....	1	15,000	25,000	25,000	10,000
Secretary, Department of Labor.....	1	15,000	25,000	25,000	10,000
SEC. 2 (a)					
Under Secretary, Department of State.....	1	12,000	22,500	20,000	8,000
Under Secretary, Department of Treasury.....	1	10,000	22,500	20,000	10,000
Under Secretary of Defense.....	1	12,000	22,500	20,000	8,000
Under Secretary, Department of the Army.....	1	10,000	22,500	20,000	10,000
Under Secretary, Department of the Navy.....	1	10,000	22,500	20,000	10,000
Under Secretary, Department of the Air Force.....	1	10,000	22,500	20,000	10,000
Assistant to the Attorney General, Department of Justice.....	1	10,330	22,500	20,000	9,670
Solicitor General, Department of Justice.....	1	10,330	22,500	20,000	9,670
First Assistant Postmaster General, Post Office De- partment.....	1	10,330	22,500	20,000	9,670
Under Secretary, Department of Interior.....	1	10,330	22,500	20,000	9,670
Under Secretary, Department of Agriculture.....	1	10,330	22,500	20,000	9,670
Under Secretary, Department of Commerce.....	1	10,000	22,500	20,000	10,000
Under Secretary, Department of Labor.....	1	10,330	22,500	20,000	9,670
Comptroller General of the United States.....	1	12,000	22,500	20,000	8,000
Director of the Bureau of the Budget.....	1	10,000	22,500	20,000	10,000
Chairman of Council of Economic Advisers.....	1	15,000	22,500	20,000	5,000
Chairman, National Security Resources Board.....	1	14,000	22,500	20,000	6,000
Administrator of Federal Security.....	1	12,000	22,500	20,000	8,000
Administrator of Veterans' Affairs.....	1	12,000	22,500	20,000	8,000
Administrator for Economic Cooperation.....	1	20,000	22,500	20,000	-----
SEC. 2 (b)					
Assistant to the President.....	1	15,000	(2)	(3)	(4)
Special Counsel to the President.....	1	12,000	(2)	(3)	(4)
Secretaries to the President.....	3	10,330	(2)	(3)	(4)
Administrative Assistants to the President.....	6	10,330	(2)	(3)	(4)
Executive Secretary, National Security Council.....	1	10,000	(2)	(3)	(4)
SEC. 3 (a)					
Assistant Comptroller General.....	1	10,330	20,000	18,000	7,670
Assistant Director of the Bureau of the Budget.....	1	10,330	20,000	18,000	7,670
Chairman of the Munitions Board.....	1	14,000	20,000	18,000	4,000
Chairman of the Research and Development Board.....	1	14,000	20,000	18,000	4,000
Chairman of Atomic Energy Commission.....	1	17,500	22,500	18,000	500
Federal Works Administrator.....	1	12,000	20,000	18,000	6,000
Housing and Home Finance Administrator.....	1	16,500	20,000	18,000	1,500
Deputy Administrator of Veterans' Affairs.....	1	10,330	20,000	18,000	7,670
Deputy Administrator for Economic Cooperation.....	1	17,500	20,000	18,000	500

<sup>1</sup> The increase is the difference between annual compensation provided for in H. R. 1689, as amended, and present compensation.

<sup>2</sup> Rates of compensation to be fixed by the President as follows: 2 not exceeding \$22,500 annually; 3 not exceeding \$20,000 annually; and 7 not exceeding \$17,500 annually.

<sup>3</sup> Rates of compensation to be fixed by the President as follows: 2 not exceeding \$20,000 annually; 3 not exceeding \$18,000 annually; and 7 not exceeding \$16,000 annually.

<sup>4</sup> Estimated total increase in annual salaries of 12 positions covered in subsec. 2 (b) is \$76,030.

# 14 INCREASING COMPENSATION OF HEADS OF DEPARTMENTS

*Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689 and H. R. 1689 as amended by House Post Office and Civil Service Committee, with increases—Continued*

Positions included in H. R. 1689, as amended	Number	Annual compensation			Increase
		Present	H. R. 1689	H. R. 1689, amended	
SEC. 3 (b)					
Director of the Administrative Office of the United States Courts.....	1	\$10,330	\$20,000	\$17,500	\$7,170
SEC. 3 (c)					
Public Printer.....	1	10,330	20,000	17,500	7,170
Librarian of Congress.....	1	10,330	20,000	17,500	7,170
Members (other than Chairman) of the Council of Economic Advisers.....	2	15,000	20,000	17,500	2,500
Director of Central Intelligence.....	1	14,000	20,000	17,500	3,500
Federal Mediation and Conciliation Director.....	1	12,000	20,000	17,500	5,500
Assistant Federal Security Administrator.....	1	10,000	20,000	17,500	7,500
SEC. 4					
Architect of the Capitol.....	1	10,330	17,500	16,000	5,670
Members (other than Chairman) of Atomic Energy Commission.....	4	15,000	20,000	16,000	1,000
Members of the Civil Aeronautics Board:					
Chairman.....	1	12,000	17,500	16,000	4,000
Members.....	4	11,500	17,500	16,000	4,500
Chairman of the Board of Directors, Export-Import Bank of Washington.....	1	15,000	17,500	16,000	1,000
Members of the Federal Communications Commission.....	7	10,000	17,500	16,000	6,000
Members of the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency).....	3	15,000	17,500	16,000	1,000
Members of the Federal Power Commission.....	5	10,000	17,500	16,000	6,000
Members of the Board of Governors of the Federal Reserve System:					
Chairman.....	1	15,000	22,500	16,000	1,000
Members.....	6	15,000	20,000	16,000	1,000
Members of Federal Trade Commission.....	5	10,000	17,500	16,000	6,000
Assistant Federal Works Administrator.....	1	10,000	17,500	16,000	6,000
Members of the Interstate Commerce Commission.....	11	12,000	17,500	16,000	4,000
Director of Aeronautical Research of the National Advisory Committee for Aeronautics.....	1	10,330	17,500	16,000	5,670
Members of the National Labor Relations Board and the General Counsel.....	6	12,000	17,500	16,000	4,000
Members of the National Mediation Board.....	3	10,000	17,500	16,000	6,000
Members of the Railroad Retirement Board.....	3	10,000	17,500	16,000	6,000
Chairman of the Board of Directors of the Reconstruction Finance Corporation.....	1	15,000	17,500	16,000	1,000
Members of Securities and Exchange Commission.....	5	10,000	17,500	16,000	6,000
Members of the Board of Directors of the Tennessee Valley Authority.....	3	10,000	17,500	16,000	6,000
Members of the Civil Service Commission.....	3	10,000	17,500	16,000	6,000
Chairman of U. S. Maritime Commission.....	1	12,000	17,500	16,000	4,000
Members of the U. S. Tariff Commission.....	6	10,000	17,500	16,000	6,000
Members of the Home Loan Bank Board.....	3	15,000	17,500	( <sup>5</sup> )	( <sup>5</sup> )
Public Housing Commissioner.....	1	15,000	17,500	( <sup>5</sup> )	( <sup>5</sup> )
Federal Housing Commissioner.....	1	15,000	17,500	( <sup>5</sup> )	( <sup>5</sup> )
SEC. 5(a)					
Assistant Secretaries, Department of State.....	6	10,330	17,500	15,000	4,670
Counselor.....	1	10,330	17,500	15,000	4,670
Assistant Secretaries, Department of Treasury.....	2	10,000	17,500	15,000	5,000
Fiscal Assistant Secretary.....	1	10,330	17,500	15,000	4,670
Assistant Secretaries, Department of the Army.....	2	10,000	17,500	15,000	5,000
Assistant Secretaries, Department of the Navy.....	2	10,000	17,500	15,000	5,000
Assistant Secretaries, Department of Air Force.....	2	10,000	17,500	15,000	5,000
Assistant Attorneys General, Department of Justice.....	7	10,330	17,500	15,000	4,670
Assistant Solicitor General, Department of Justice.....	1	10,330	17,500	15,000	4,670
Second, Third, Fourth Assistant Postmasters General, Post Office Department.....	3	10,330	17,500	15,000	4,670
Assistant Secretaries, Department of the Interior.....	2	10,330	17,500	15,000	4,670
Governors of Alaska, Hawaii, and Virgin Islands, Department of the Interior.....	3	10,330	17,500	15,000	4,670

<sup>1</sup> The increase is the difference between annual compensation provided for in H. R. 1689, as amended, and present compensation.

<sup>5</sup> The following positions were struck out of H. R. 1689; Commissioner, Public Housing Administration; Commissioner, Federal Housing Administration; and members of the Home Loan Bank Board, which left these positions at their present salary of \$15,000 per annum.

*Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689 and H. R. 1689 as amended by House Post Office and Civil Service Committee, with increases—Continued*

Positions included in H. R. 1689, as amended	Num- ber	Annual compensation			Increase <sup>1</sup>
		Present	H. R. 1689	H. R. 1689, amended	
SEC. 5(a)—Continued					
Governor of Panama Canal, National Military Es- tablishment.....	1	\$10,000	\$17,500	\$15,000	\$5,000
Assistant Secretary, Department of Agriculture.....	1	10,330	17,500	15,000	4,670
Assistant Secretaries, Department of Commerce.....	2	10,000	17,500	15,000	5,000
Assistant Secretaries, Department of Labor.....	3	10,330	17,500	15,000	4,670
Chief Assistant Librarian of Congress.....	1	10,330	17,500	15,000	4,670
Deputy Director of Central Intelligence <sup>2</sup> .....	1	10,000	17,500	15,000	5,000
Philippine Alien Property Administrator.....	1	10,000	17,500	15,000	5,000
Housing Expediter.....	1	12,000	17,500	15,000	3,000
War Assets Administrator.....	1	12,000	17,500	15,000	3,000
Members of the Philippine War Damage Commis- sion.....	3	12,000	17,500	15,000	3,000
Members of Displaced Persons Commission.....	3	10,000	17,500	15,000	5,000
Members of the Board of Commissioners of the Dis- trict of Columbia.....	3	10,000	17,500	15,000	5,000
Members (other than Chairman) of the Board of Directors of the Export-Import Bank of Washing- ton.....	3	12,000	17,500	15,000	3,000
Associate Federal Mediation and Conciliation Di- rector.....	1	10,330	17,500	15,000	4,670
Members of the Indian Claims Commission.....	3	10,000	17,500	15,000	5,000
Archivist of the United States.....	1	10,000	17,500	15,000	5,000
Members (other than the Chairman) of the Board of Directors of the Reconstruction Finance Corpora- tion.....	4	12,500	17,500	15,000	2,500
Director of Selective Service.....	1	12,500	17,500	15,000	2,500
Members (other than the Chairman) of the U. S. Maritime Commission.....	4	10,000	17,500	15,000	5,000
Members of the War Claims Commission.....	3	12,000	17,500	15,000	3,000
Deputy Public Printer.....	1	10,330	17,500	15,000	4,670
Administrator, Production and Marketing Admin- istration.....	1	10,330	-----	15,000	4,670
Commissioner of Internal Revenue.....	1	10,000	-----	15,000	5,000
Director of the Bureau of Prisons.....	1	10,330	-----	15,000	4,670
Director, Federal Bureau of Investigation.....	1	14,000	-----	15,000	1,000
Commissioner of Public Roads.....	1	10,330	-----	15,000	4,670
Commissioner of Public Buildings.....	1	10,330	-----	15,000	4,670
Commissioner of Community Facilities.....	1	10,330	-----	15,000	4,670
Commissioner of Immigration and Naturalization.....	1	10,000	-----	15,000	5,000
Administrator, Rural Electrification Administration.....	1	10,000	-----	15,000	5,000
Commissioner for Social Security.....	1	10,330	-----	15,000	4,670
Commissioner of Reclamation.....	1	10,000	-----	15,000	5,000
Chief, Soil Conservation Service.....	1	10,330	-----	15,000	4,670
Commissioner of Customs.....	1	10,330	-----	15,000	4,670
Governor of the Farm Credit Administration.....	1	10,000	-----	15,000	5,000
Chief Forester of the Forest Service.....	1	10,000	-----	15,000	5,000
Administrator of the Farmers Home Administration.....	1	10,000	-----	15,000	5,000
Special Assistants to the Secretary of Defense.....	3	10,000	-----	15,000	5,000
SEC. 5 (b)					
Assistant Director of the Administrative Office of the United States Courts.....	1	9,707	17,500	15,000	5,293
SEC. 5 (c)					
Legislative Counsels of the House of Representatives and the U. S. Senate.....	2	10,330	-----	12,000	1,670
Total (exclusive of White House and Executive Secretary of the National Security Council).....					
White House and National Security Council.....	12	129,970	227,500	206,000	76,030
Grand total.....	244	2,791,827	4,185,000	4,029,000	1,237,173

<sup>1</sup> The increase is the difference between annual compensation provided for in H. R. 1689, as amended, and present compensation.

<sup>2</sup> Position presently filled by a brigadier general.



## APPENDIX B

### INDEX

Agency:	Page
Administrative Office of the United States Courts.....	17
Agriculture, Department of.....	19
Air Force, Department of (National Military Establishment).....	74
Architect of the Capitol.....	24
Archives.....	25
Army, Department of (National Military Establishment).....	75
Atomic Energy Commission.....	25
Bureau of the Budget.....	28
Central Intelligence Agency.....	29
Civil Aeronautics Board.....	30
Civil Service Commission.....	31
Commerce, Department of.....	32
Council of Economic Advisers.....	34
Defense: National Military Establishment.....	78
Displaced Persons Commission.....	35
District of Columbia.....	35
Economic Cooperation Administration.....	36
Export-Import Bank of Washington.....	37
Federal Communications Commission.....	38
Federal Deposit Insurance Corporation.....	38
Federal Mediation and Conciliation Service.....	41
Federal Power Commission.....	42
Federal Reserve System: Board of Governors.....	42
Federal Security Agency.....	44
Federal Trade Commission.....	45
Federal Works Agency.....	46
General Accounting Office.....	49
Government Printing Office.....	50
Governors:	
Alaska.....	54
Hawaii.....	54
Panama Canal.....	77
Virgin Islands.....	55
Housing and Home Finance Agency.....	51
Housing Expediter, Office of the.....	52
Indian Claims Commission.....	52
Interior, Department of the.....	53
Interstate Commerce Commission.....	55
Justice, Department of.....	57
Labor, Department of.....	67
Library of Congress.....	68
Maritime Commission.....	69
Munitions Board: Defense, National Military Establishment.....	80
National Advisory Committee for Aeronautics.....	71
National Archives.....	25
National Labor Relations Board.....	71
National Mediation Board.....	73
National Military Establishment:	
Air Force, Department of.....	74
Army, Department of.....	75
Secretary of Defense.....	78
Munitions Board.....	80
Research and Development Board.....	81
Navy, Department of.....	81



## Agency—Continued

	Page
National Security Council.....	83
National Security Resources Board.....	84
Navy, Department of.....	81
Office of the Housing Expediter.....	52
Philippine Alien Property Administration.....	84
Philippine War Damage Commission.....	85
Post Office Department.....	85
Railroad Retirement Board.....	91
Reconstruction Finance Corporation.....	92
Research and Development Board: Defense, National Military Establishment.....	81
Securities and Exchange Commission.....	94
Selective Service System.....	95
State, Department of.....	95
Tariff Commission.....	99
Tennessee Valley Authority.....	100
Treasury, Department of the.....	100
Veterans' Administration.....	104
War Assets Administration.....	106
War Claims Commission.....	106
Bureau-level positions:	
Commodity Credit Corporation, President (Administrator, Produc- tion and Marketing Administration).....	22
Community Facilities, Bureau of, Commissioner.....	47
Comptroller of the Currency (Member, Federal Deposit Insurance Corporation).....	40
Customs, Bureau of, Commissioner.....	104
Farm Credit Administration, Governor.....	20
Farmers Home Administration, Administrator.....	21
Federal Bureau of Investigation, Director.....	64
Forest Service, Chief Forester.....	21
Immigration and Naturalization Service, Commissioner.....	66
Internal Revenue, Bureau of, Commissioner.....	103
Prisons, Bureau of, Director.....	66
Production and Marketing Administration, Administrator.....	22
Public Buildings Administration, Commissioner.....	48
Public Roads Administration, Commissioner.....	48
Reclamation, Bureau of, Commissioner.....	55
Rural Electrification Administration, Administrator.....	23
Soil Conservation Service, Chief.....	23
Social Security Administration, Commissioner.....	44
Special Assistants to the Secretary of Defense.....	79

**Position title: Director, Administrative Office of the United States Courts.**

Section of bill: 3 (b).

Present salary: \$10,330. Salary established: July 12, 1948, by Public Law 900 of Eightieth Congress.

The base salary of \$10,000 was fixed August 7, 1939, by Public Law 299 of Seventy-sixth Congress.

Proposed salary: \$17,500.

Incumbent: Henry P. Chandler. State: Resident of Illinois when appointed, now Maryland.

Responsibilities: The Director, who is appointed by the Supreme Court, is responsible by statute (28 U. S. C. 604-605) for the management of the administrative matters of the United States courts and the improvement of the administration of the offices of the courts under the general direction of the Judicial Conference of the United States consisting of the Chief Justice of the United States, chairman, and the chief judges of the courts of appeals of the 11 judicial circuits including the District of Columbia. The United States courts with which he deals are the courts of appeals, the district courts, the Court of Customs and Patent Appeals, the Court of Claims, the Customs Court, and the United States courts in Alaska, Hawaii, the Canal Zone, Puerto Rico, and the Virgin Islands.

The responsibilities of the Director, more specifically, include the following:

(1) To provide the business administration of the courts including among others: (a) preparing estimates for the appropriations, justifying them before the Judicial Conference, the Bureau of the Budget, and the Appropriations Com-

mittees of the Congress, making an equitable allocation of sums appropriated among the courts involved according to relative need; (b) under limitations of law and general policies of the Judicial Conference fixing the number and salaries of classes of supporting personnel according to uniform principles, and recommending salaries of court reporters and referees which are fixed by the Judicial Conference; (c) arranging with the Public Buildings Administration and the Post Office Department for quarters for the courts which are adequate but economical for the purpose served; (d) procuring office equipment, supplies, and communications and other impersonal services for the courts so as to attain maximum utility consistent with economy; (e) auditing expenditures of court officers subject to the final audit of the General Accounting Office, and endeavoring to adjust differences arising between the courts concerned and that Office.

(2) To compile, analyze, and report annually and quarterly statistics and information concerning the work of the courts, in order to disclose to the courts themselves, the judicial councils of the circuits, the Judicial Conference, and the Congress, particularly the Judiciary and Appropriations Committees, the trends in litigation, the places where reinforcement temporary or permanent is needed, and the strong and weak points in the dispatch of the judicial business; to ascertain what judges are available to give temporary service to courts of other districts and circuits in which there is congestion and to assist the Chief Justice in procuring such service; to attend judicial conferences of the circuits and report on the work of the courts and any developments affecting it.

(3) To exercise general supervision of the Federal probation service, including fixing the number and salaries of the probation officers and clerks, endeavoring by persuasion to secure observance of the qualifications recommended by the Judicial Conference in the appointment of probation officers by the judges, and devising and using means for improving the practices of the probation officers.

(4) To exercise general supervision of the referees in bankruptcy, including recommending their number and salaries to the Judicial Conference which fixes them, and making recommendations for improvement in the practices of the referees.

(5) To act in the nature of an executive secretary for the Judicial Conference and its committees, including the preparation of reports on matters for the consideration of that body and its committees, and the presentation of the views of the Judicial Conference on legislation in writing or orally to the appropriate committees of the Congress.

It is the function of the Director to promote economy and efficiency in the administration of the Federal judicial system, and to accomplish it by securing the voluntary cooperation of the judges and the supporting personnel of the courts.

Size of organization:

Number of Employees: Administrative Office, 110; United States courts, 4,000.

Estimated annual expenditures for fiscal year 1949: \$20,400,000.

**Position title:** Assistant Director, Administrative Office of the United States Courts. Section of bill: 5 (b).

Present salary, \$9,706.50. Date salary established: July 12, 1948, by Public Law 900 of Eightieth Congress.

The base salary of \$7,500 was fixed August 7, 1939, by Public Law 299 of Seventy-sixth Congress.

Proposed salary: \$15,000.

Incumbent: Elmore Whitehurst. State: Texas.

**Responsibilities:** The Assistant Director is second in command to the Director of the Administrative Office of the United States Courts, and pursuant to title 28, United States Code, section 606, acts as Director during the absence of the Director. Like the Director, he is appointed by the Supreme Court. He collaborates with the Director in the formulation and execution of the policies of the Office, the presentation of matters relating to the courts to the Judicial Conference and to the Congress, and the supervision of the staff of the Administrative Office consisting of approximately 110 persons.

In addition the Assistant Director has immediate charge of the business administration and housekeeping of the courts, including among other activities the following: (a) Confering with the budget and accounting officer of the Administrative Office during the preparation of the estimates for appropriations and advising in reference to questions or difficulties encountered; (b) passing upon questions arising in the disbursement of court funds by the United States marshals in the field and by the disbursing officer of the Administrative Office

and upon any objections to their accounts; (c) formulating salary plans for court personnel whose salaries are fixed by the Administrative Office and dealing with requests for increases in the number or salaries of personnel in the offices of the clerks of courts; (d) conducting a continuing study of the office practices of the clerks of courts and making recommendations to the clerks for simplifying their systems of record-keeping and accounting, eliminating unnecessary operations and using labor-saving machines and methods; (e) passing upon any unusual questions or difficulties arising in the audit of the expenditures of court officers; (f) endeavoring to adjust questions arising in reference to quarters for the courts between the courts and the Public Buildings Administration and the Post Office Department, as the case may be; (g) dealing with questions arising in the furnishing of office equipment, supplies and communications, and other impersonal services of the courts; considering any irregularities appearing in the accounts of United States commissioners, court reporters, and other court officers, and endeavoring to bring about correction of any practices that are erroneous; (h) attending judicial conferences of the circuits and reporting on the work of the courts and any developments affecting it.

**Size of organization:**

Number of employees: Administrative Office, 110; United States courts, 4,000.

Estimated annual expenditures for fiscal year 1949: \$20,400,000.

**Position title: Secretary of Agriculture, United States Department of Agriculture.**

**Section of bill: 1.**

Present salary: \$15,000. Salary established: March 4, 1925, by Public Law 624 of Sixty-eighth Congress.

Proposed salary: \$25,000.

Incumbent: Charles F. Brannan. State: Colorado.

**Responsibilities:** The Secretary of Agriculture is responsible to the President and the Congress for carrying out the national agricultural program through research, service, regulation, economic adjustment, and other means essential to the full development, use and conservation of the agricultural and forestry resources of the United States. The Secretary advises with the President and the Congress and recommends programs and policies essential to the well-being of American agriculture. Programs of the Department continuously influence and affect producers, processors and consumers.

Through policy determinations and programs developed under general legislation, the decisions of the Secretary of Agriculture have direct bearing on the total economy of the nation and have important influences on our foreign policies and relationships with all the nations of the world.

Estimated annual expenditures for fiscal year 1949:

Appropriation authorized to borrow, and trust funds----	\$1, 158, 700, 000
Working funds, transferred, and allocated from other departments and agencies-----	1, 500, 000, 000
Commodity loan programs-----	2, 000, 000, 000

Size of organization: Number of employees, 72,161.

**Position title: Under Secretary of Agriculture, United States Department of Agriculture. Section of bill: 2 (a).**

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Albert J. Loveland. State: Iowa.

**Responsibilities:** The Under Secretary of Agriculture shares with the Secretary the responsibilities of planning and administering the programs of the Department of Agriculture. He is the First Assistant to the Secretary and assumes the full responsibilities of that office during the absence of the Secretary. The programs with which the Under Secretary is concerned cover the broad fields of production, marketing, and utilization of agricultural commodities and their byproducts, the conservation of our agricultural resources, the economic stabilization of the agricultural industry, and the most economical and advantageous use of these resources in our foreign relations.

The Under Secretary participates in policy determinations and is at times designated by the Secretary as having final authority on specific programs or in specific fields of work. The decisions made by this officer and his influence on



general program policies have important effects on American agriculture and world trade and relationships.

Estimated annual expenditures for fiscal year 1949:

Appropriation authorized to borrow, and trust funds----	\$1, 158, 700, 000
Working funds, transferred and allocated from other departments and agencies-----	1, 500, 000, 000
Commodity loan programs-----	2, 000, 000, 000

Size of organization: Number of employees, 72,161.

**Position title: Assistant Secretary of Agriculture, United States Department of Agriculture.** Section of bill: 5 (a).

Present salary, \$10,305. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Ineumbent: Vaeaney.

Responsibilities: The Assistant Secretary of Agriculture participates with the Secretary and the Under Secretary in planning and carrying out the programs of the Department in accordance with statutory authority and policies of the President. He has a responsibility covering all agricultural programs through his participation in program planning and policy conferences, but frequently he is designated by the Secretary to provide leadership for specific programs or broad fields of work, such as conservation, land and water use, research activities, etc.

As a general assistant to the Secretary, his recommendations help to influence and shape the basic policies and programs for the Department. His decisions on specific programs assigned to him are made for the Secretary and determine the scope of such programs and the manner in which they are carried out. In the absence of the Secretary and the Under Secretary, the Assistant Secretary carries out the responsibilities of the Secretary.

Estimated annual expenditures for fiscal year 1949:

Appropriation authorized to borrow, and trust funds----	\$1, 158, 700, 000
Working funds, transfers, and allocations from other departments and agencies-----	1, 500, 000, 000
Commodity loan programs-----	2, 000, 000, 000

Size of organization: Number of employees, 72,161.

**Position title: Governor, Farm Credit Administration, United States Department of Agriculture.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: May 16, 1933, by Public Law 75 of Seventy-third Congress.

Proposed salary, \$15,000.

Ineumbent: I. W. Duggan. State: Georgia.

Responsibilities: The Governor is the executive head of the entire farm credit system. Subject only to the general direction and supervision of the Secretary of Agriculture, the Governor has over-all direction of the Farm Credit Administration in Washington and exercises broad powers of regulation and supervision over the lending corporations and associations, numbering about 1,800, that comprise the system. These 1,800 institutions had more than 9,000 employees and had total assets of about \$2,600,000,000 as of December 31, 1948. During the calendar year 1948 they made loans to farmers and farmers' cooperative associations aggregating about 1½ billion dollars. As of June 30, 1948, they had outstanding \$1,187,000,000 in bonds and debentures which they issue and sell to the general public (without any guaranty by the Government) to obtain loan funds.

The Governor's supervisory responsibilities embrace the general management, the loan policies and terms, the fiscal operations, and all other phases of the business of the lending institutions. As examples of the importance of his responsibilities, he exercises final authority over the interest rates charged on loans and the interest rates paid on bonds and debentures. A change of one-fourth of 1 percent in the interest rate on loans could make a difference of over \$4,000,000 per year to the system, while a change of one-tenth of 1 percent in the interest rate paid on bonds and debentures could make a difference of over \$1,000,000 a year.

Appointments to this position made by the President, by and with the advice and consent of the Senate.

## Size of organization:

Number of employees: 996, plus approximately 9,000 non-Federal employees of FCA institutions.

Estimated annual expenditures for fiscal year 1949:

Central office-----	\$3, 025, 000
Banks and corporations supervised-----	33, 000, 000

**Position title: Administrator, Farmers Home Administration, United States Department of Agriculture.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: August 14, 1946, by Public Law 731 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbent: Dillard B. Lasseter. State: Georgia.

**Responsibilities:** The Administrator is responsible for planning, directing, and coordinating all program activities of the Farmers Home Administration offering the small farmer a start on the road to better farming and improved living for his family through supervised credit. He has ultimate responsibility for the efficiency and effectiveness of program operations in the administration of real-estate loans and production and subsistence loans to low-income farmers and veterans, in the promotion of ownership of family-type farms, for providing equitable farm-debt adjustment, and for administering a water-facilities program in arid and semiarid areas of the United States. The program currently being administered involves an annual expenditure of approximately \$118,000,000. Collections in the fiscal year 1948 amounted to \$148,000,000, involving the outstanding indebtedness of 950,000 borrowers. In addition to the current programs, the Administrator is responsible for the liquidation of the assets and liabilities of predecessor agencies, the assets of which on November 1, 1946, totaled \$830,000,000.

The Farmers Home Administration program is carried out through a national office, 40 State offices, 4 area finance offices, and approximately 1,600 county offices. The 40 State directors and 4 area finance managers are in charge of activities in their respective jurisdictional areas, acting for and serving under the immediate leadership of the Administrator. In addition, the Administrator directs his national office staff of technical and administrative personnel and gives approval to and directs the application of policies and procedure in administering all program activities and servicing functions. He also has primary responsibility or seeing that the Congress is kept currently advised and fully informed as to the status of the Farmers Home Administration program and that the public in general is properly advised of the activities of the Administration. The Administrator functions under the general direction of the Secretary of Agriculture.

Appointments to this position made by the President, by and with the advice and consent of the Senate.

## Size of organization:

Number of employees, 15,071 (including part-time committeemen).

Estimated annual expenditures for fiscal year 1949, \$118,000,000.

**Position title: Chief Forester, Forest Service, United States Department of Agriculture.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established, June 22, 1946, by Public Law 422 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbent: Lyle F. Watts. State: Oregon.

**Responsibilities:** The Forest Service, through its Chief, has, by acts of Congress and as delegated to him by the Secretary of Agriculture, the principal responsibility for providing national leadership in the broad field of forestry and related watershed management, leading to the best practicable protection, management, development, and utilization of all forest resources in the national interest. More specifically, these major responsibilities are:

1. The national forests: The technical management (including the protection, development and utilization) of more than 180,000,000 acres of these federally owned lands in 40 States, Alaska, and Puerto Rico; an area equivalent to about 10 percent of the land area of the continental United States. This includes responsibility for the cutting of 4,000,000,000 board feet of timber from a total stand of 600,000,000,000 board feet (one-third of the remaining saw timber in this country), for the grazing of 9,000,000 head of livestock, for 20,000,000 recreation visits, for 70 percent of the big game in the West, and for the protec-



tion and management of many important watersheds for flood and erosion control, power, and irrigation. Cash receipts exceed \$30,000,000.

2. Cooperation with 44 States, and many private owners, in obtaining better protection and forest practices on 439,000,000 acres of State and privately owned lands. These lands are in major part still being badly handled. Through these cooperating agencies, the Forest Service, through its Chief, aims to provide national leadership, education, planning, protection against fire, aid in forest planting, and technical assistance in obtaining improved forest and watershed-management practices.

3. All Federal forest and range research for some 1,000,000,000 acres of forest and open-range lands. (This area is equivalent to one-half of the land area of the continental United States.) This responsibility includes research for forest management, range management, watershed management, fire control, forest-products utilization, and the forest-resource survey. Included also are flood-control surveys, mainly of forested lands.

Organizationally, the work of the Forest Service is handled through 10 regional offices, 152 national forests, a tropical unit, 11 forest and range experiment stations, 62 forest and range research centers, and the Forest Products Laboratory. The average number of employees is some 15,000. Many are temporary; hence the total number of employments annually exceeds 70,000.

Size of organization:

Number of employees, 15,000 (annual average).

Estimated annual expenditures for fiscal year 1949, \$70,215,821.

**Position title: Administrator, Production and Marketing Administration, United States Department of Agriculture.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Ralph S. Trigg. State: New Mexico.

Responsibilities: The Administrator of the Production and Marketing Administration reports directly to the Secretary of Agriculture and is responsible for the following programs which affect producers, market operators and consumers, and to a large degree determines the economic stability of American agriculture:

1. Commodity Credit Corporation: The price support, supply, and related programs of the Department are financed through the CCC. During the fiscal year 1949 the volume of price-support commodity loans will exceed \$2,000,000,000. The purchase and supply operations for foreign governments, Army, and ECA during 1949 will approximate \$1,500,000,000. The Administrator is also President of CCC and a member of its Board of Directors.

2. The agricultural conservation program, through which more than 3,000,000 farmers are assisted in carrying out conservation and soil-building practices through incentive payments averaging more than \$200,000,000 annually. This program also provides a framework for the State, county, and community committee system through which the production adjustment, price-support, and related programs are administered.

3. The production-adjustment program, under which acreage allotments and marketing quotas are established for certain agricultural commodities.

4. The surplus-removal program, authorized by section 32 of the AAA Act of 1935, under which surplus agricultural commodities have been diverted from normal channels of trade through export, diversion, and direct distribution to schools and public institutions.

5. The National School Lunch Act, through which more than 6,000,000 school children are provided midday lunches.

6. The Sugar Act of 1948, which provides assistance to sugar producers totaling approximately \$72,000,000 in the fiscal year 1949.

7. The marketing-services activities, involving the administration of more than a score of agricultural marketing regulatory, research, and service laws. These include the Federal Seed Act of 1912; the United States Warehouse Act of 1916; the Cotton Standards, Futures, and Classing Acts; the market-news service; and market-inspection services.

Policy and program decisions made by the Administrator have a direct effect on the total economy of the Nation.

Size of organization:

Number of employees, 10,000 full-time Federal employees plus 100,000 non-Federal county-office employees and committeemen.

Estimated annual expenditures for fiscal year 1949:

Program expenditures, approximately, \$2,500,000,000.

Administrative funds expenditures including county expenses,  
\$80,000,000.

**Position title: Administrator, Rural Electrification Administration, United States Department of Agriculture.** Section of bill 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Claude R. Wickard. State: Indiana.

Responsibilities: All of the powers, duties, and responsibilities of the Rural Electrification Administration are vested in, and exercised by the Administrator under the general direction of the Secretary of Agriculture. The transfer of REA to the Department of Agriculture in 1939 did not, as a practical matter, diminish or lessen in any way the duties and ultimate responsibilities of the Administrator with respect to the REA program. The Administrator thus administers a lending program for which Congress, through fiscal 1949, has authorized lending power of almost 1.9 billions of dollars of which all but \$160,000,000 have been loaned. The 1950 appropriation bill (as passed by the House) would make available up to \$500,000,000 in additional loan authorizations for fiscal 1950. A total of 1.2 billions of dollars have been advanced to 1,044 independent electric systems existing in 45 States, Alaska, and Virgin Islands. Such systems are actually serving over 2.5 million consumers on 765,000 miles of electric lines and related facilities.

The administrative burdens and responsibilities of the Administrator are greatly increased and rendered more complex by three important aspects of the REA program which distinguish it sharply from other lending programs, either governmental or private: (1) the loans are 100 percent loans requiring correspondingly greater precaution by the lender than would be necessary in a case where the borrower has an equity interest. This factor also requires more than usual over-all supervision of the construction of the electric systems; (2) the loans are required by law to be self-liquidating within a limited statutory period, necessitating effective and continuing attention to assure repayment of the loans on schedule; and (3) the program is not merely a lending program per se; it is the responsibility of Administrator, stressed repeatedly by congressional committees, to see that the basic program objective of extending electric service to all unserved rural people is effectuated as rapidly as possible. To accomplish this program objective requires prompt, continuing, and effective solution, under many diverse conditions, of such matters as power shortage problems, and problems incident to extending service to the "thinner" or "pocketed" areas of the country.

Appointments to this position made by the President, by and with the advice and consent of the Senate.

Size of organization:

Number of employees, 1,133.

Estimated annual expenditures for fiscal year 1949:

Loan funds, \$466,000,000.

Administrative funds, \$5,825,000.

**Position title: Chief, Soil Conservation Service, United States Department of Agriculture.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Hugh H. Bennett. State: North Carolina.

Responsibilities: The Chief of the Soil Conservation Service directs a program of soil and water conservation on the privately owned farm and range lands of the Nation, a program of submarginal land purchase and development, and that part of the Nation's flood-control program primarily involving watershed protection work on privately owned farm and range lands. Research investigations at strategically located experiment stations throughout the country are carried on currently in support of the operations programs. The soil and water conservation program, directed toward the protection and improvement of the Nation's agricultural productive capacity, is carried forward in cooperation with more than 2,000 farmer-directed soil-conservation districts, already embracing more than three-fourths of the farms and ranches of the United States. It is based on physical analysis of the land, acre by acre; a scientific determination of the



capabilities of the land; and scientific application of protective measures specifically designed to meet the needs and capabilities of the land for permanently productive use. Insofar as productive land affects the quality, quantity, and cost of food and other farm products, the work of the Soil Conservation Service to protect and improve the Nation's productive land resources affects every segment of American society. It helps hold down production costs on the farm and thereby improves the economic position of the farmers as a buyer as well as a seller; it helps insure the food-producing capacity of the Nation, either for national emergencies or for future increases in population; and it contributes to the nutritional quality of the food produced.

In the soil and water conservation program, as well as the programs for flood control and submarginal land purchase and development, the technical and scientific proficiency of the operations are of paramount importance. This proficiency, as well as the manner in which the operations are related to the requirements of the Nation's economy as a whole, are particular responsibilities of the Chief of the Service. He administers annual appropriations approximating \$56,000,000 and a corps of land and water technicians numbering more than 10,000, stationed in all the States and Territories. All major policy decisions of the Service are made by the Chief, who is responsible directly to the Secretary.

Size of organization:

Number of employees, 13,493.

Estimated annual expenditures for fiscal year 1949: \$55,431,354.

**Position title:** Architect of the Capitol. Section of bill: 4.

**Present salary:** \$10,330. **Date salary established:** July 1, 1929, by Public Law 17 of Seventy-first Congress.

**Proposed salary:** \$16,000.

**Incumbent:** David Lynn. **State:** Washington, D. C.

**Responsibilities:** The Architect of the Capitol, acting as an agent of the Congress, is charged with the care and improvement of buildings occupied by the Congress and the Federal judiciary. The properties under the Architect are evaluated at more than \$100,000,000. The legislative group includes the United States Capitol Building and Grounds, Senate Office Building, House Office Buildings, Capitol power plant, Legislative Garage, and Library of Congress Buildings. The judiciary group includes the United States Supreme Court Building, United States Court of Claims Buildings, United States Courthouse, District of Columbia, and United States Court of Appeals Building, District of Columbia. Duties include structural and mechanical care of all properties, operation of mechanical equipment, domestic care of the Senate and House Office Buildings and partial domestic care of the Capitol Building, care of the works of art in the Capitol, arrangements in cooperation with other officials of the Congress for ceremonies held in the Capitol Building and on the Capitol Grounds. The Capitol power plant, as operated by the Architect, supplies heat, light, and power for the buildings and grounds in the legislative group, the United States Supreme Court Building and Botanic Garden; air conditioning refrigeration for the Capitol, Senate and House Office Buildings, and steam for heating the Government Printing Office and Washington City post office. Duties also include care of Columbia Hospital for Women; maintenance and operation of the United States Botanic Garden, as Acting Director; operation of the House of Representatives restaurants. The Architect serves as a member of the District of Columbia Zoning Commission; also as a member of the Capitol Police Board which directs the policing and protection of the Capitol Buildings and Grounds and regulation of traffic control in the grounds; also performs other miscellaneous maintenance duties. In addition, the Architect is charged with the planning and construction of such buildings and other improvements as committed to his care by Congress from time to time, being charged at present with the planning and construction of the New Senate Office Building, a \$20,000,000 project; and reconstruction of the roofs over the Senate and House wings of the Capitol and remodeling of the Senate and House Chambers, a \$5,000,000 project. Maintenance appropriations average about \$4,000,000 annually.

The Architect performs most of his duties under the direction of commissions and committees of the Congress, the Senate Office Building under the Senate Committee on Rules and Administration; the House Office Buildings and Capitol power plant under the House Office Building Commission; the Legislative Garage under the Vice President and Speaker of the House; Botanic Garden and works of art under the Joint Committee on the Library; New Senate Office Building under the Senate Office Building Commission; Senate roof and Chamber improvements

under a special committee of five Senators; House roof and Chamber improvements under a special committee of five Members of the House. Service to the Congress is the prime duty of the Architect of the Capitol.

Size of organization:

Number of employees, 1,200.

Estimated annual expenditures for fiscal year 1949, \$7,500,000.

**Position title: The Archivist of the United States.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: June 19, 1934, by Public Law 432 of Seventy-third Congress.

Proposed salary: \$15,000.

Incumbent: Wayne C. Grover. State: Utah.

Responsibilities: The Archivist of the United States is responsible, by law, for housing, preserving, and making available for use the official records of the United States Government (legislative, executive, judicial, and other) that, because of their administrative, legal, historical, research, or other value have been transferred to his custody. He is responsible for directing the National Archives Establishment, Franklin D. Roosevelt Library, and Division of the Federal Register and also serves as chairman of the National Archives Council, the National Historical Publications Commission, National Archives Trust Fund Board, and Board of Trustees of the Franklin D. Roosevelt Library. The directors of the Division of the Federal Register, of the Franklin D. Roosevelt Library, and of the eight operating divisions of the National Archives are immediately responsible to the Archivist of the United States. The Archivist is a member of the: Governing Body, Federal Fire Council; National Council for Historic Sites and Buildings; Board of Trustees, American Military Institute; and Board of Directors, National Records Management Council.

The Archivist of the United States contributes to the improvement of the national economy and the welfare of the people by preserving the records and making the evidence of our national experience, as it is embodied in the permanently valuable records of the Government, available to guide and assist the Government and the people in planning and conducting their activities. The Archivist of the United States, through his liaison relationships with some 150 Federal departments and agencies, fosters the efficient management of records, inspects records in these agencies and evaluates and selects for preservation the core of valuable records, facilitates the prompt disposal of records of only temporary usefulness by appraising them and making recommendations to Congress with respect to their disposition, formulates and applies technical methods for the repair and preservation of records, organizes the records in custody and prepares guides and other descriptive aids to their use, and makes the records or the information in them available for official or public use under regulations prescribed by him. The records in the custody of the Archivist or the more than twenty million cubic feet subject to the appraisal of his staff involve the legal rights and obligations of millions of persons and document the expenditure of billions of dollars. Records in custody, some 875,000 cubic feet, constitute the largest and probably the most valuable single collection of modern archives in the world. The Division of the Federal Register receives and publishes the texts and codes of all Presidential proclamations and Executive orders and of rules and regulations issued by Federal agencies that have general applicability and legal effect, and publishes a manual of statements describing the organization and functions of agencies in the three Branches of the Government. The Archivist of the United States is also responsible for the preservation and administration of historical material in the Franklin D. Roosevelt Library.

Size of organization:

Number of employees, 390.

Estimated annual expenditures for fiscal year 1949, \$1,608,123.

**Position title: Chairman, Atomic Energy Commission.** Section of bill: 3 (a).

Present salary: \$17,500. Date salary established: August 1946, by Public Law 585 of Seventy-ninth Congress.

Proposed salary: \$18,000.

Incumbent: David E. Lilienthal. State: Tennessee.

Responsibilities: The Atomic Energy Act of 1946 established salaries for the chairman and the other members of the Commission, as well as the general manager, at a level intended "to indicate that the duties and responsibilities of these positions are comparable to those on the highest level in the Government



administration." The reasons for this were stated in the report of the McMahon committee (S. Rep. 1211, 79th Cong., 2d sess., p. 11) as follows:

"The provision for full-time Commissioners was urged by many witnesses at the committee hearings, especially by experts in Government administration. These witnesses emphasized the grave responsibility for national security and welfare devolving upon the Commissioners, the need for continuous study of changing technical developments, and the many innovations in administrative techniques that will be involved. While the Commissioners need not be scientists or technical experts, they must combine clear judgment with imagination and courage, and they must, like the members of the judiciary, be so divorced from private and competing concerns as to give complete, disinterested, and undivided attention to their tasks. A salary of \$17,500 per annum for the chairman and \$15,000 for the other commissioners has been set to indicate that the duties and responsibilities of these positions are comparable to those on the highest level of Government administration."

The Commission has responsibility for determining all important matters of policy and carrying on the country's atomic-energy program.

The Commission is the agent of the United States to develop and control atomic energy. It has a direct responsibility to the President on atomic matters relating to the country's common defense and security. It owns all facilities which can or might produce the fissionable material required for atomic weapons, and determines which facilities are capable of such production. It controls the manufacture and transfer of such facilities. It owns all fissionable material under the jurisdiction of the United States. It controls the transfer of all important quantities of source materials, and determines what quantities are important. It distributes atomic materials in the interests of research, medical therapy, industrial uses, and other purposes.

The Commission is responsible for the conduct of large industrial operations in various parts of the country and for the national atomic laboratories organized on a regional basis. It carries on programs of exploration for and acquisition and production of raw materials; production of fissionable materials; construction of necessary facilities and installations; development, production, and test of atomic weapons; development of new types of nuclear reactors and production of power from atomic fission; research in the physical sciences and in biology and medicine; and management of communities which it owns and which are necessary to support the basic programs. By contracts and other arrangements it assists and fosters research and development work relating to atomic energy by other public and private institutions. It carries on activities, with the collaboration of the National Military Establishment, which are necessary to enable the use of atomic energy or atomic weapons in the national defense. It is responsible for safeguarding atomic plants and restricted data, and for determining what information may be removed from the category of restricted data. It has a program relating to dissemination of information relating to atomic energy. It determines, after receipt of investigative reports from the Federal Bureau of Investigation, who may have access to restricted data. It rules on patents and inventions in the field of atomic energy. With the paramount objective of assuring the common defense and security, the Commission has extensive authority and responsibility in the fields of personnel administration, labor relations, property management, and financial accounting. It establishes boards, conducts investigations, and advises with the General Advisory Committee and the Military Liaison Committee. It has a duty to keep the Joint Committee on Atomic Energy fully and currently informed with respect to the Commission's activities.

The Commission carries a continuing responsibility for assuring the continued preeminence of the United States in the applications of atomic energy for peace or war. The rapidly shifting frontiers of atomic energy reveal daily new and difficult problems that require decisions for which there is little or no precedent. These decisions affect the entire Nation's economy and defense. The Commission has delegated to the General Manager responsibility for the actual execution of this program.

Size of organization:

Number of employees. Direct AEC, 5,000; contractor, 65,000; total AEC and contractor, 70,000.

Estimated annual expenditures for fiscal year 1949, \$700,000,000.



**Position title:** Commissioner, Atomic Energy Commission. Section of bill: 4.  
**Present salary:** \$15,000. Date salary established: August 1946 by Public Law 585 of Seventy-ninth Congress.  
**Proposed salary:** \$16,000.  
**Incumbents:** Sumner T. Pike, Maine; Lewis L. Strauss, New York; Robert F. Bacher, New Mexico; vacancy.

**Responsibilities:** The Atomic Energy Act of 1946 established salaries for the Chairman and the other members of the Commission, as well as the General Manager, at a level intended "to indicate that the duties and responsibilities of these positions are comparable to those on the highest level in the Government administration." The reasons for this were stated in the report of the McMahon Committee (S. Rept. 1211, 79th Cong., 2d sess., p. 11), as follows:

"The provision for full-time Commissioners was urged by many witnesses at the committee hearings, especially by experts in Government administration. These witnesses emphasized the grave responsibility for national security and welfare devolving upon the Commissioners, the need for continuous study of changing technical developments, and the many innovations in administrative techniques that will be involved. While the Commissioners need not be scientists or technical experts, they must combine clear judgment with imagination and courage, and they must, like the members of the judiciary, be so divorced from private and competing concerns as to give complete, disinterested, and undivided attention to their tasks. A salary of \$17,500 per annum for the Chairman and \$15,000 for the other Commissioners has been set to indicate that the duties and responsibilities of these positions are comparable to those on the highest level of Government administration."

The Commission has responsibility for determining all important matters of policy and carrying on the country's atomic-energy program.

The Commission is the agent of the United States to develop and control atomic energy. It has a direct responsibility to the President on atomic matters relating to the country's common defense and security. It owns all facilities which can or might produce the fissionable material required for atomic weapons, and determines which facilities are capable of such production. It controls the manufacture and transfer of such facilities. It owns all fissionable material under the jurisdiction of the United States. It controls the transfer of all important quantities of source materials, and determines what quantities are important. It distributes atomic materials in the interests of research, medical therapy, industrial uses, and other purposes.

The Commission is responsible for the conduct of large industrial operations in various parts of the country and for the national atomic laboratories organized on a regional basis. It carries on programs of exploration for and acquisition and production of raw materials; production of fissionable materials; construction of necessary facilities and installations; development, production, and test of atomic weapons; development of new types of nuclear reactors and production of power from atomic fission; research in the physical sciences and in biology and medicine; and management of communities which it owns and which are necessary to support the basic programs. By contracts and other arrangements it assists and fosters research and development work relating to atomic energy by other public and private institutions. It carries on activities, with the collaboration of the National Military Establishment, which are necessary to enable the use of atomic energy or atomic weapons in the national defense. It is responsible for safeguarding atomic plants and restricted data, and for determining what information may be removed from the category of restricted data. It has a program relating to dissemination of information relating to atomic energy. It determines, after receipt of investigative reports from the Federal Bureau of Investigation, who may have access to restricted data. It rules on patents and inventions in the field of atomic energy. With the paramount objective of assuring the common defense and security, the Commission has extensive authority and responsibility in the fields of personnel administration, labor relations, property management, and financial accounting. It establishes boards, conducts investigations, and advises with the General Advisory Committee and the Military Liaison Committee. It has a duty to keep the Joint Committee on Atomic Energy fully and currently informed with respect to the Commission's activities.

The Commission carries on continuing responsibility for assuring the continued preeminence of the United States in the applications of atomic energy for peace or

war. The rapidly shifting frontiers of atomic energy reveal daily new and difficult problems that require decisions for which there is little or no precedent. These decisions affect the entire Nation's economy and defense. The Commission has delegated to the General Manager responsibility for the actual execution of this program.

Size of organization:

Number of employees: Direct AEC, 5,000; contractor, 65,000; total AEC and contractor, 70,000.

Estimated annual expenditures for fiscal year 1949, \$700,000,000.

**Position title: Director, Bureau of the Budget.** Section of bill: 2 (a).

Present salary: \$10,000. Date salary established: June 10, 1921 by Public Law 13 of Sixty-seventh Congress.

Proposed salary \$20,000.

Incumbent Frank Pace, Jr. State: Arkansas.

Responsibilities: The Director of the Bureau of the Budget is the President's principal staff assistant for handling budget and management problems of the Government as a whole. He is the responsible head of the Bureau of the Budget which is the largest unit of the Executive Office of the President. His primary responsibilities are to assist the President in (1) the annual formulation of an integrated budget for the entire Federal Government which, when approved by the President, is submitted to the Congress, and (2) the administration of the budget as passed by Congress in such a way as to prevent overobligation of funds and to insure that they are spent economically and effectively. Formulating an over-all budget for the Federal Government involves the review and analysis of the programs and related budget estimates for annual, supplemental and deficiency appropriations proposed by Federal agencies; the analysis and interpretation of economic guide lines and data furnished by other agencies for use in policy formulation, program planning and budget preparation; the continuing analysis of major areas of Government activity; the coordination of agency views on proposed legislation, Executive orders and proclamations; the development of action recommendations for the President concerning legislative enactments and Executive proposals; and the furnishing of advice to the President on major policy issues. Administration of the budget includes the apportionment of funds; the determination of personnel ceilings; assistance to agencies in developing and installing improved organization, procedures and methods; advising the President on the most effective organization of the executive branch and on methods for coordinating interagency functions; the planning and promoting of improved and better coordinated Federal and other statistical services; and keeping the President informed of major work programs proposed, initiated, and completed by the agencies.

In order to carry out his responsibilities, the Director must have a familiarity with the Government programs of over 75 agencies, which together make up a budget of over \$40,000,000,000 and must be able to see how they relate to each other. He must have a clear and thorough understanding of general economic, political, and social conditions in the country in order to advise the President on the need for and impact of all Government programs. As Director of the organization which performs the functions described in the first paragraph, he concentrates his personal energies on furnishing active leadership to his organization; maintaining continuous and close relationships with the President, Cabinet members, the heads of other agencies, top Executive Office officials, public groups, and the Congress; making final recommendations to the President on all major policy issues concerning the budget; handling the budget appeals of major agencies and negotiating the setting of budget ceilings; and giving some attention to major internal problems of personnel and organization. As a staff assistant to the President, he advises him regularly from the over-all point of view on problems varying from the proper organization of a Government corporation to the proportion of national resources which should be spent for national-security purposes.

Size of organization:

Number of employees, 534.

Estimated annual expenditures for fiscal year 1949, \$3,267,013.



**Position title:** Assistant Director, Bureau of the Budget. Section of bill: 3 (a).  
**Present Salary:** \$10,330.<sup>1</sup> **Date salary established:** April 28, 1942,<sup>1</sup> by Public Law 528 of Seventy-seventh Congress.  
**Proposed salary:** \$18,000.  
**Incumbent:** Frederick J. Lawton. **State:** District of Columbia.

**Responsibilities:** The Assistant Director of the Bureau of the Budget assists the Director of the Bureau in carrying out the latter's function as principal adviser to the President on questions of over-all budgeting and management for the Federal Government. The Assistant Director acts for the Director in the latter's absence, and in general must have equivalent knowledge of the programs and activities of all Government agencies. He assists the Director on practically an equal basis in the formulation of an integrated Federal budget for submission to the Congress after approval by the President, and in the administration of the budget as passed by Congress so as to prevent overobligation of funds and to insure that they are spent economically and effectively. Formulating an over-all budget for the Federal Government involves the review and analysis of the programs and related budget estimates for annual, supplemental, and deficiency appropriations proposed by Federal agencies; the analysis and interpretation of economic guide lines and data furnished by other agencies for use in policy formulation, program planning, and budget preparation; the continuing analysis of major areas of Government activity; the coordination of agency views on proposed legislation, Executive orders and proclamations; the development of action recommendations for the President concerning legislative enactments and Executive proposals; and the furnishing of advice to the President on major policy issues. Administration of the budget includes the apportionment of funds; the determination of personnel ceilings; assistance to agencies in developing and installing improved organization, procedures, and methods; advising the President on the most effective organization of the executive branch and on methods for coordinating interagency functions; the planning and promoting of improved and better coordinated Federal and other statistical services; and keeping the President informed of major work programs proposed, initiated, and completed by the agencies.

At the present time, the Assistant Director spends somewhat less time than the Director in contacts with the President, Cabinet members, and the general public. He spends more time than the Director in maintaining contact with the Congressional Appropriations Committees, in dealing with technical budgeting and accounting problems, in conducting continuous and regular review of agency budget estimates, and in directing the day-to-day operations of the Bureau of the Budget.

**Size of organization:**

Number of employees, 534.

Estimated annual expenditures for fiscal year 1949, \$3,267,013.

**Position title:** Director, Central Intelligence Agency. Section of bill: 3 (c).  
**Present salary:** \$14,000. **Date salary established:** July 26, 1947, by Public Law 253 of Eightieth Congress.  
**Proposed salary:** \$17,500.

**Incumbent:** Roscoe H. Hillenkoetter, rear admiral, United States Navy. **State:** Missouri.

**Responsibilities:** The Director of Central Intelligence is charged with the over-all administration of the Central Intelligence Agency and the supervision of its functions as outlined by section 102 of the National Security Act of 1947 and as further elaborated by the directives of the National Security Council. These functions include advising the National Security Council on all matters concerning national intelligence, coordination of the foreign intelligence activities of the United States, the correlation and evaluation of intelligence relating to the national security, and its appropriate dissemination, and the performance in the field of foreign intelligence of certain functions of common concern to the existing intelligence activities of the Government. The Director serves as sole adviser to the National Security Council in the field of foreign intelligence, and is responsible for preparing the national intelligence estimates required by the Council for its deliberation.

<sup>1</sup> Salary set at \$10,000 by Public Law 528 of 77th Cong., April 28, 1942. Raised to \$10,330 under Public Law 900 of 80th Cong., July 3, 1948.

In coordinating the foreign intelligence activities of the United States, the Director recommends fields of primary responsibilities, particularly in regard to the intelligence organizations of the State Department and members of the National Military Establishment. He also recommends eliminations of duplications and unnecessary overlaps, and ascertains gaps in the fields of intelligence collection and reporting, with the responsibility of closing such gaps. The sole responsibility in these matters lies with the Director of Central Intelligence.

Information on size of organization is classified for security reasons and will be supplied verbally.

**Position title:** Deputy Director, Central Intelligence Agency. Section of bill: 5 (a).

Present salary: <sup>2</sup> ----- Date salary established: -----, by Public Law ----- of ----- Congress.

Proposed salary: \$15,000.

Incumbent: <sup>2</sup> None. State: -----

Responsibilities: The Deputy Director assists the Director of Central Intelligence in carrying out the functions and responsibilities of the Agency and acts for the Director in his absence in the performance of the functions and duties assigned by the National Security Act of 1947 and the appropriate directives of the National Security Council.

Information on size of organization is classified for security reasons and will be supplied verbally.

**Position title:** Chairman, Civil Aeronautics Board. Section of bill: 4.

Present salary: \$12,000. Date salary established: June 3, 1948, by Public Law 597 of Eightieth Congress.

Proposed salary: \$16,000.

Incumbent: Joseph J. O'Connell, Jr. State: New York.

Responsibilities: The responsibilities of the five members of the Board, appointed by the President with the advice and consent of the Senate, are established by statute since the members collectively are charged with carrying out the duties and functions devolving upon the Civil Aeronautics Board under the Civil Aeronautics Act of 1938, as amended. The Board is charged, under the act, with responsibility for fostering and encouraging the development of an air transportation system which will be adequate to the present and future needs of the foreign and domestic commerce of the United States, the postal service and the national defense; and regulating air commerce in such manner as to best promote its development and safety. The members act on specific cases, and develop plans, policies, and programs directly affecting all phases of an industry, which has expanded with unparalleled rapidity since the war, and is vital to both the economy and security of the Nation.

In general, the activities of the Board fall into four principal areas: (1) regulation of the economic aspects of United States air carrier operations, both domestic and international, which includes granting and denying certificates of public convenience and necessity; prescribing or approving rates and rate practices of air carriers; fixing mail-rate compensation (at present totaling in excess of \$100,000,000 per year); prevention of unfair methods of competition or discrimination; approval or disapproval of business relationships between air carriers, (2) promulgation of safety standards in the form of Civil Air Regulations, which include standards for the issuance of airman certificates, aircraft type production and airworthiness certificates and air carrier operating certificates, with power to suspend or revoke such certificates, (3) investigation and analysis of accidents involving civil aircraft, which includes reviewing reports of all accidents and determining, after investigation to the extent required, the probable cause of all accidents; and the initiation of preventive action as indicated by accident investigation and analysis, (4) cooperation and assistance in international air transportation which includes assisting the State Department in the negotiation of agreements with foreign governments for the establishment or development of air transportation; providing information for and assisting the International Civil Aviation Organization in the development of all international safety and operational standards.

In addition to the statutory responsibilities falling on all members, the duties of the Chairman embrace certain administrative responsibility. He presides at

<sup>2</sup> The position of Deputy Director is now vacant. It was formerly occupied by a brigadier general who was paid by the Department of the Army in accordance with the applicable Army pay scale.



meetings of the Board; determines the order in which from day to day, matters will receive attention of the Board; his office is the focal point of a large volume of communications, incoming and outgoing and for numerous inquiries of various types; by virtue of his role as Chairman, he is usually called upon to act as spokesman of the Board before committees of Congress. In the absence or disability of the Chairman the foregoing duties are performed by the Vice Chairman.

Size of organization:

Number of employees, 680.

Estimated annual expenditures for fiscal year 1949, \$3,637,000.

**Position title: Member, Civil Aeronautics Board.** Section of bill: 4.

Present salary: \$11,500. Date salary established: June 3, 1948, by Public Law 597 of Eightieth Congress.

Proposed salary: \$16,000.

Incumbents: Oswald Ryan, Vice Chairman, Indiana; Josh Lee, Oklahoma; Harold A. Jones, California; Russell B. Adams, West Virginia.

Responsibilities: The responsibilities of the five members of the Board, appointed by the President with the advice and consent of the Senate, are established by statute since the members collectively are charged with carrying out the duties and functions devolving upon the Civil Aeronautics Board under the Civil Aeronautics Act of 1938, as amended. The Board is charged, under the act, with responsibility for fostering and encouraging the development of an air transportation system which will be adequate to the present and future needs of the foreign and domestic commerce of the United States, the postal service, and the national defense; and regulating air commerce in such manner as to best promote its development and safety. The members act on specific cases, and develop plans, policies, and programs directly affecting all phases of an industry, which has expanded with unparalleled rapidity since the war, and is vital to both the economy and security of the Nation.

In general, the activities of the Board fall into four principal areas: (1) Regulation of the economic aspects of United States air carrier operations, both domestic and international, which includes granting and denying certificates of public convenience and necessity; prescribing or approving rates and rate practices of air carriers; fixing mail rate compensation (at present totaling in excess of \$100,000,000 per year); prevention of unfair methods of competition or discrimination; approval or disapproval of business relationships between air carriers (2) promulgation of safety standards in the form of civil air regulations, which include standards for the issuance of airman certificates, aircraft type production and airworthiness certificates and air carrier operating certificates, with power to suspend or revoke such certificates (3) investigation and analysis of accidents involving civil aircraft, which includes reviewing reports of all accidents and determining, after investigation to the extent required, the probable cause of all accidents; and the initiation of preventive action as indicated by accident investigation and analysis (4) cooperation and assistance in international air transportation which includes assisting the State Department in the negotiation of agreements with foreign governments for the establishment or development of air transportation; providing information for and assisting the International Civil Aviation Organization in the development of all international safety operational standards.

Size of organization:

Number of employees, 680.

Estimated annual expenditures for fiscal year 1949, \$3,637,000.

**Position title: Member, Civil Service Commission.** Section of bill: 4.

Present salary: \$10,000. Date salary established: November 26, 1940, by Public Law 880 of Seventy-sixth Congress.

Proposed salary: \$16,000.

Incumbents: Frances Perkins, New York; Harry B. Mitchell, Montana; James M. Mitchell, Illinois.

Responsibilities: As the central personnel agency for the Federal Government, the Civil Service Commission provides leadership in the field of personnel administration and promulgates such rules and regulations as are required for the proper administration of the merit system. Each Civil Service Commissioner shares equally with his two colleagues the full responsibility for directing the work of the Civil Service Commission in providing examinations to test the fitness of applicants for positions in the competitive service; establishing qualifications standards

as a basis for reinstatement, promotion, and transfer of Federal employees; providing, in response to recruitment requests, the best qualified available persons to fill positions in the Federal service; administering the Veterans' Preference Act of 1944; conducting investigations relative to the enforcement of civil service laws and rules and to the character and suitability of applicants for certain types of positions; administering, in part through the Loyalty Review Board, statutory and Executive order provisions relating to the loyalty of Federal employees; administering the Classification Act of 1923 as amended; administering an efficiency rating system for Federal employees; maintaining service records of Federal employees; administering statutory provisions and civil service regulations restricting political activity by Federal employees; administering the Civil Service Retirement Act, the Canal Zone Retirement Act, and the Alaska Railroad Retirement Act; administering, partly through the Federal Fair Employment Board, statutory and Executive order provisions relating to the following of fair employment practices by Federal agencies.

The Commission as a body, and each Commissioner as an individual, must have a thorough knowledge and appreciation of the current personnel requirements of the Federal Government. The Commission is responsible, further, for planning for future personnel needs and responsible for taking steps to meet these needs, such as recommending legislation; advising the President of the desirability of the issuance of appropriate Executive orders; and exercising continuing vigilance to insure that the Commission's own regulations are in such form as to promote maximum efficiency and effectiveness in Federal personnel management consistent with existing legislative and executive policy. Finally, the Commission must furnish information and other assistance to a very large number of individual citizens in their capacities as prospective, present, or former employees of the Federal Government in such a way that Federal employment will be held in good repute and high esteem.

Size of organization:

Number of employees, 4,185.

Estimated annual expenditures for fiscal year 1949, \$244,114,098.<sup>3</sup>

**Position title:** Secretary of Commerce. Section of bill: 1.

Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 624 of Eightieth Congress.

Proposed salary: \$25,000.

Incumbent: Charles Sawyer. State: Ohio.

**Responsibilities:** The Secretary of Commerce directs the activities of the entire Department of Commerce and serves in the President's Cabinet.

In this capacity he is responsible for extensive national programs of the United States Government, including population, agricultural, and other censuses; collection, analysis and dissemination of commercial data; efforts to promote foreign and domestic commerce; coast and geodetic surveys; establishment of commodity weights, measures, and standards; comprehensive scientific research programs; issuance of patents and the registration of trade-marks; establishment and maintenance of aids to air navigation, certification of airmen, and inspection and registration of aircraft; issuance of weather forecasts and warnings; development of inland waterway transportation; operation of Government-owned barge lines; and many other related activities of great significance to the national well-being.

The foregoing activities are administered through the National Bureau of Standards, United States Weather Bureau, Bureau of the Census, United States Coast and Geodetic Survey, United States Patent Office, Civil Aeronautics Administration, Bureau of Foreign and Domestic Commerce, Inland Waterways Corporation, and other organizations comprising the Department of Commerce. In addition, the Secretary also is a member of the Board of Governors of the American Red Cross, Foreign Service Buildings Commission, Smithsonian Institution, Migratory Bird Conservation Commission, National Munitions Control Board, and the National Security Resources Board, and is Chairman of the Foreign-Trade Zones Board.

Size of organization:

Number of employees, 41,000.<sup>4</sup>

Estimated annual expenditures for fiscal year 1949, \$260,000,000.

<sup>3</sup> Expenditures include operating costs and retirement-account costs.

<sup>4</sup> Includes 6,200 part-time employees.



**Position title:** Under Secretary of Commerce. Section of bill: 2 (a).

Present salary: \$10,000. Date salary established: June 5, 1939, by Public Law 113 of Seventy-sixth Congress.

Proposed salary: \$20,000.

Incumbent: Cornelius V. Whitney. State: New York.

**Responsibilities:** The Under Secretary of Commerce performs the duties of the Secretary of Commerce in the absence of the Secretary.

He also serves as principal deputy of the Secretary in appearances before the President, Congress, other agencies of Government, industry, and the public. In the same capacity he also is responsible for planning and coordinating the activities of the various component bureaus and offices of the Department of Commerce on an integrated basis. This includes intensive planning and review of programs related to promotion of the domestic commerce of the United States and its manufacturing, shipping, and transportation interests; the making of coast and geodetic surveys; construction, maintenance, and application of standards of weights and measurements; the gathering and supplying of information regarding industries and markets; promotion of foreign trade; technological aids, and service to business, including small business; supervision of the issuance of patents and the registration of trade-marks; the promotion and development of air commerce; weather service for the benefit of agriculture, commerce, navigation, and the general public; development of inland waterways transportation; and numerous other activities related to these responsibilities. In addition, he is responsible for the direction of and coordination of numerous special studies and other duties assigned to the Department from time to time and for such special assignments as may be specified by the Secretary.

**Size of organization:**

Number of employees, 41,000.<sup>5</sup>

Estimated annual expenditures for fiscal year 1949, \$260,000,000.

**Position title:** Assistant Secretary of Commerce. Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: July 15, 1947, by Public Law 191 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Thomas C. Blaisdell, Jr. State: District of Columbia.

**Responsibilities:** The Assistant Secretary of Commerce for Foreign and Domestic Commerce exercises immediate direction and supervision over the Bureau of Foreign and Domestic Commerce and other activities of the Department of Commerce which promote and foster foreign and domestic commerce.

These activities are conducted by the Office of International Trade, Office of Domestic Commerce, Office of Business Economics, Office of Field Service, Office of Technical Services, and Office of Industry Cooperation. In carrying out their functions they provide American business with published aids in the fields of international and domestic commerce and industry; maintain detailed information concerning over 750,000 foreign firms and individuals engaged in foreign trade and prepare trade list classifications by commodities and by countries covering both distributors and suppliers; constitute the major source of data on foreign exchange developments and foreign public finance; prepare numerous statistical and economic reports required by both Government and industry; supply numerous individual services on business operations to small-business men and to American industry generally; direct a program of voluntary industry agreements; maintain requisite export controls; promote United States interests in exports and imports; stimulate the profitable operation of manufacturing, construction, distribution, transportation, and service industries, in order to achieve and sustain full and efficient production and employment; provide factual, analytical, and interpretive data on commodities, industry, transportation, and marketing; and provide basic indicators of the condition of the national economy, current analyses of the business situation and trends, and technical research in the functioning of the economy—including the development and analysis of measures of the national income, gross national product, and international balance of payments of the United States—thus establishing a factual groundwork for use in both business and Government operations; and related activities.

**Size of organization:**

Number of employees, 2,100.

Estimated annual expenditures for fiscal year 1949, \$14,000,000.

<sup>5</sup> Includes 6,200 part-time employees.

**Position title: Assistant Secretary of Commerce.** Section of bill: 5 (a).  
 Present salary: \$10,000. Date salary established: July 15, 1947, by Public Law 191 of Eightieth Congress.  
 Proposed salary: \$15,000.  
 Incumbent: Vacant.

Responsibilities: The Assistant Secretary of Commerce for Air exercises immediate direction and supervision over the Civil Aeronautics Administration, the Coast and Geodetic Survey, and the Weather Bureau, and other activities of the Department which promote and foster civil aviation.

This involves the development of civil aeronautics and air commerce in the United States; orderly planning and construction of civil airways and landing areas; installation and maintenance of air navigation facilities; registration of aircraft; enforcement of air safety rules, regulations, and standards; direction of programs of aviation development and training; hydrographic surveys of the coasts of the United States and its possessions, including observations of tides and currents; geographical surveys and mapping of the United States; compilation and publication of aeronautical, nautical, and inland maps and charts; observation and reporting of weather conditions and forecasts from stations throughout the United States and its possessions; cooperating in the international exchange of weather reports and information for domestic and international purposes; programs of agricultural, hurricane, flood warning, and other types of specialized forecasting; and related activities.

Size of organization:

Number of employees, 24,000.<sup>6</sup>

Estimated annual expenditures for fiscal year 1949, \$196,000,000.

**Position title: Chairman of Economic Advisers.** Section of bill: 2 (a).  
 Present salary: \$15,000. Date salary established: February 20, 1946, by Public Law 304 of Seventy-ninth Congress.  
 Proposed salary: \$20,000.  
 Incumbent: Edwin G. Nourse. State: District of Columbia.

Responsibilities: The Council of Economic Advisers has statutory responsibility (sec. 4 of the Employment Act of 1946) "to assist and advise the President in the preparation of the Economic Report; to gather timely and authoritative information concerning economic developments and economic trends, both current and prospective; to analyze and interpret such information \* \* \*: to appraise the various programs and activities of the Federal Government in the light of the policy declared in section 2 \* \* \*; to develop and recommend to the President national economic policies to foster and promote free competitive enterprise; to avoid economic fluctuations or to diminish the effects thereof, and to maintain employment, production, and purchasing power; to make and furnish such studies, reports thereon, and recommendations with respect to matters of Federal economic policy and legislation as the President may request.

The Chairman of the Council presides over its work, consults with the President, and maintains contacts with Cabinet officers and agency heads and with outside organizations of business or economic character.

Size of organization:

Number of employees: 34 (excluding Council members).

Estimated annual expenditures for fiscal year 1949, \$300,000.

**Position title: Member Council of Economic Advisers.** Section of bill: 3 (c).  
 Present salary: \$15,000. Date salary established: February 20, 1946. By Public Law 304 of Seventy-ninth Congress.

Proposed salary: \$17,500.

Incumbents: Leon H. Keyserling, Vice Chairman, New York; John D. Clark, Wyoming.

Responsibilities: The Council of Economic Advisers has statutory responsibility (sec. 4 of the Employment Act of 1946) "to assist and advise the President in the preparation of the Economic Report; to gather timely and authoritative information concerning economic developments and economic trends, both current and prospective, to analyze and interpret such information \* \* \*; to appraise the various programs and activities of the Federal Government in the light of the policy declared in section 2 \* \* \*; to develop and recommend

<sup>6</sup> Includes 4,300 part-time employees.



to the President national economic policies to foster and promote free competitive enterprise, to avoid economic fluctuations or to diminish the effects thereof, and to maintain employment, production, and purchasing power; to make and furnish such studies, reports thereon, and recommendations with respect to matters of Federal economic policy and legislation as the President may request.

Each member of the Council, in the exercise of his responsibilities, consults with the President, and maintains contacts with Cabinet officers and agency heads and with outside organizations of business or economic character.

The Vice Chairman of the Council presides over its work in the absence of the Chairman, and supervises certain assigned segments of the staff work.

Size of organization:

Number of employees 34 (excluding Council members)

Estimated annual expenditures for fiscal year 1949, \$300,000.

**Position title: Member, Displaced Persons Commission.** Section of bill: 5 (a). Present salary: \$10,000. Date salary established: June 25, 1948, by Public Law 774 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbents: Ugo Carusi, Chairman, District of Columbia; Harry N. Rosenfield, New York; Edward M. O'Connor, New York.

Responsibilities: Shares joint responsibility with the other members of the Displaced Persons Commission in establishing the policies, rules, and regulations under which the displaced-person immigration program of the United States is administered. Participates in the direction of the activities of the Commission in the selection, security investigation, and resettlement of displaced persons in this country. Shares coordination of the program activities of, and allocates funds to, such participating Federal agencies as the Department of the Army, Federal Security Agency, Department of State, and Department of Justice. Integrates the activities of the State government and voluntary agencies which are concerned with the problem of resettlement of displaced-person immigrants.

The Chairman of the Commission performs the usual functions of the presiding head of a commission-type independent agency of the Federal Government.

Size of organization:

Number of employees, 250.

Estimated annual expenditures for fiscal year 1949, \$1,375,000.

**Position title: Commissioner of the District of Columbia.** Section of bill: 5 (a). Present salary: \$10,000. Date salary established: July 1, 1946, by Public Law 390 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbents: John Russell Young, District of Columbia; Guy Mason, District of Columbia; Brig. Gen. Gordon R. Young, District of Columbia.

Responsibilities: The Board of Commissioners of the District of Columbia as the officers of the corporation of the District of Columbia, direct the executive functions of government in the District of Columbia by enforcement of pertinent laws of the Congress, the promulgation and enforcement of police, health, and other municipal ordinances and regulations, and membership on statutory boards and commissions. This program must provide for the health, safety, education, welfare, and good order of the populace of approximately 900,000. The annual fiscal operations of the corporation involve approximately \$100,000,000. The Commissioners of the District of Columbia are responsible for and collect all revenues, prepare the budget, and direct expenditures after appropriation by the Congress. Responsibility for this program is completely that of the Board of Commissioners. For the purpose of better coordination, the Commissioners have allocated the several departments and agencies of the over-all organization among themselves, reducing thereby the number of channels of communication to and from the Board, and bringing about a more efficient and speedier correlation and supervision.

Size of organization:

Number of employees, 18,000.

Estimated annual expenditures for fiscal year 1949, \$100,000,000.

**Position title:** Administrator for Economic Cooperation. Section of bill: 2 (a).  
**Present salary:** \$20,000. Date salary established: April 3, 1948, by Public Law 472 of Eightieth Congress.

**Proposed salary:** \$20,000.

**Incumbent:** Paul G. Hoffman. State: Michigan.

**Responsibilities:** The Administrator for Economic Cooperation is responsible to the President for the administration of the provisions of the Foreign Assistance Act of 1948, and for the direction and coordination of all activities of the Administration. He is also charged with carrying out economic relief and recovery programs in China and Korea.

His status in the executive branch of the Government is comparable to that of the head of an executive department during the period of operation of the Administration.

In the performance of his duties, the Administrator is responsible for planning and determining current and long-range policy and operations in respect to economic assistance provided the participating countries consistent with the declaration of policy in the authorizing acts. The responsibility for organizing and directing the European recovery program includes the promotion of agricultural and industrial production in the participating countries, the restoration and maintenance of sound currencies, budgets and finances, and the facilitation of trade within Europe and by Europe with the rest of the world.

At the same time, he must institute measures to safeguard the interests of farmers, businessmen, and consumers in the United States, including the encouragement of the use of normal private trade channels, assuring that the program will not react adversely upon the United States economy in the financing of shipments and commodities the export of which would create domestic shortages, and arranging for the purchase from participating countries and their dependencies of strategic materials needed by the United States. Corollary responsibilities are numerous and include promotion of tourist travel of United States citizens in Europe, and encouraging voluntary foreign relief activities of American organizations and individuals for the benefit of the participating countries.

In executing the foregoing responsibilities, the Administrator, in effect, is administering a wide segment of American foreign policy. He must work in close consultation, of course, with the Secretary of State and with other cabinet officers. He must deal directly and closely with the heads of foreign governments in Europe and the Far East, with the Organization for European Economic Cooperation in Paris, and with leaders of industry and labor in the United States.

The Administrator serves as a member of the National Advisory Council on International Monetary and Financial Problems, and is also Chairman of the Public Advisory Board appointed by the President to advise on general and basic policy matters relating to economic recovery.

**Size of organization:**

Number of employees, 3,350.

Estimated annual expenditures for fiscal year 1949, \$4,000,000,000.

**Position title:** Deputy Administrator for Economic Cooperation. Section of bill: 3 (a).

**Present salary:** \$17,500. Date salary established: April 3, 1948, by Public Law 472, of Eightieth Congress.

**Proposed salary:** \$18,000.

**Incumbent:** Howard Bruce. State: Maryland.

**Responsibilities:** The Deputy Administrator functions as a general assistant to the Administrator for Economic Cooperation in carrying out the total range of responsibilities of the Administrator. He handles, on behalf of the Administrator, many of the principal problems of ECA relating to such recovery measures as agricultural and industrial programs, trade and fiscal policy, provision of technical assistance to the participating countries, development of dependent areas, and acquisition of strategic materials.

The Deputy Administrator is generally responsible for administration of the agency, which has a domestic and overseas establishment of broad scope and considerable size, with missions in 19 European countries, a European headquarters organization in Paris, and special missions in China and Korea.

The Deputy Administrator serves as Acting Administrator for Economic Cooperation during the absence of the Administrator; such absences are frequently occasioned by conferences or negotiations abroad.

**Size of organization:**

Number of employees, 3,350.

Estimated annual expenditures for fiscal year 1949, \$4,000,000,000.

**Position title:** Chairman, Board of Directors, Export-Import Bank of Washington.

Section of bill: 4.

Present salary: \$15,000. Date salary established: (7).

**Proposed salary:** \$16,000.

Incumbent: Mr. Herbert E. Gaston. State: New York.

**Responsibilities:** As one of four full-time directors (excluding the Secretary of State, who ex officio, is also a director), charged by law with the responsibility for the management of Export-Import Bank of Washington, whose purpose, as laid down by Congress, is "to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof," having lending authority therefor in the present amount of \$3,500,000-000; participates not only in the current management of all the phases of the bank's activities but also in the discussion and formation of general lending policies and the formulation of decisions with respect to new loans and the administration of existing loans; incidental thereto, personally reviews all applications for or changes in credits, discusses these and administrative actions with other members of the Board and the staff of the bank; meets and negotiates with high-ranking officials of foreign governments and with representatives of domestic and foreign industries; consults and negotiates with commercial bankers and others in carrying out the expressed policy of Congress that the bank should supplement and encourage and not compete with the investment of private capital in the foreign field.

Designated by the President as Chairman of the Board of Directors and, by election of the Board, President of the bank, serves as the chief administrative officer of the bank and generally supervises the operations of the staff employees subject to approval of all his actions by the Board of Directors as a whole.

Size of organization:

Number of employees, 125.

Estimated annual expenditures for fiscal year 1949, \$551,500,000.

**Position title:** Member, Board of Directors, Export-Import Bank of Washington.

Section of bill: 5 (a).

Present salary: \$12,000. Date salary established: July 31, 1945, by Public Law 173 of Seventy-ninth Congress.

**Proposed salary:** \$15,000.

Incumbents: Hawthorne Arey, vice chairman, Nebraska; Clarence E. Gauss, Connecticut; Lynn U. Stanbaugh, North Dakota.

**Responsibilities:** As one of four full-time directors (excluding the Secretary of State, who ex officio, is also a director), charged by law with the responsibility for the management of Export-Import Bank of Washington, whose purpose, as laid down by Congress, is "to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof," having lending authority therefor in the present amount of \$3,500,000,000; participates not only in the current management of all the phases of the bank's activities but also in the discussion and formation of general lending policies and the formulation of decisions with respect to new loans and the administration of existing loans; incidental thereto, personally reviews all applications for or changes in credits, discusses these and administrative actions with other members of the Board and the staff of the bank; meets and negotiates with high-ranking officials of foreign governments and with representatives of domestic and foreign industries; consults and negotiates with commercial bankers and others in carrying out the expressed policy of Congress that the bank should supplement and encourage and not compete with the investment of private capital in the foreign field.

Size of organization:

Number of employees, 125.

Estimated annual expenditures for fiscal year 1949, \$551,500,000.

<sup>7</sup> Salary received as President of the bank in accordance with Public Law 173, 79th Cong



**Position title:** Member, Federal Communications Commission. Section of bill: 4. Present salary: \$10,000. Date salary established: June 19, 1934. By Public Law 416 of Seventy-third Congress.

Proposed salary: \$16,000.

Incumbents: Wayne Coy, Indiana; Robert F. Jones, Ohio; Edward M. Webster, District of Columbia; Frieda B. Hennock, New York; Geo. E. Sterling, Maine; Rosel H. Hyde, Idaho; Paul A. Walker, Oklahoma.

Responsibilities: The duties of a member of the Federal Communications Commission include those generally and specifically set forth in the Federal Communications Act of 1934, as amended, and cover the field of radio, telephone, and telegraph. Specifically, the Commissioners are required to regulate "interstate and foreign commerce in communication by wire and radio so as to make available, so far as possible, to all the people of the United States a rapid, efficient, Nation-wide and world-wide wire- and radio-communication service with adequate facilities at reasonable charges, for the purpose of the national defense, for the purpose of promoting safety of life and property through the use of wire and radio communication." The foregoing involves a thorough study not only of the Communications Act but of all the problems, applications, and complaints arising under the act. It particularly involves the directing of the staff of the Commission in the preparation of all matters which Congress has placed within the jurisdiction of the Commission. A Commissioner must, so far as possible, make a thorough study of all matters coming before the Commission, express his views thereon, and vote on all cases arising thereunder.

Specifically, in the common-carrier field Commission regulation covers interstate and international tariffs, through routes and charges, construction and abandonments, mergers, accounting, valuation, and service of telephone and telegraph companies. Each Commissioner must participate in decisions involving interstate, or long-distance telephone rates, including matters of conflict between interstate and intrastate long-distance rates. He must also study and pass upon matters involving the operation of Western Union Telegraph Co. to see that this company, or any telegraph company, shall provide satisfactory Nation-wide telegraph service at costs sufficiently satisfactory to the public that it will use such service at rates sufficient to maintain the industry in a sound financial condition. The Commission must also study and determine those problems looking to and connected with a possible merger of international communications carriers. The Commission is confronted with innumerable problems in the radio field. Many of these problems are the direct result of new developments in the science of radio. The effective utilization of these new developments is dependent upon policy decisions in which each Commissioner participates and which require a comprehensive knowledge of highly technical matters and a careful evaluation of the facts. Furthermore, these developments make effective international agreements essential. This Commission advises the Department of State and the President on such matters and each Commissioner participates fully in the formulation of these recommendations. At the request of the Commission each Commissioner undertakes the study and supervision of special projects in the fields above-mentioned and recommends appropriate action to be taken thereon.

Size of organization:

Number of employees, 1,350.

Estimated annual expenditures for fiscal year 1949, \$6,677,000.

**Position title:** Member, Board of Directors, Federal Deposit Insurance Corporation. Section of bill: 4.

Present salary: \$15,000. Date salary established: August 5, 1947, by Public Law 363 of Eightieth Congress.

Proposed salary: \$16,000.

Incumbent: Maple T. Harl. State: Colorado.

Responsibilities: As Chairman of the Board: The Board of Directors of the Corporation has the responsibility of insuring deposits in insured banks up to \$5,000 for each depositor and of maintaining the solvency of some 14,000 banks. Deposits in these banks totaled \$153,000,000,000, as of December 31, 1948, representing the interests of 90,000,000 depositors. Included in these responsibilities is the management of an insurance fund in excess of \$1.1 billion. The Federal deposit insurance law (12 U. S. C. 264 b) provides that the management of the Corporation shall be vested in a Board of Directors consisting of three members, one of whom shall be the Comptroller of the Currency. The Board of Directors acts in three capacities—quasi-legislative, administrative, and quasi-judicial. (1) As a quasi-legislative body, under legislative standards prescribed by the



Federal deposit insurance law (12 U. S. C. 264 g), the Board acts upon applications from banks for admission to deposit insurance and applications by insured banks under its jurisdiction for consent to establish, operate, or change location of branches. It promulgates regulations governing the payment of deposits and interest thereon by insured banks under its jurisdiction, advertisements by all insured banks, and other regulations implementing the provisions of the law. (2) In an administrative capacity the Board supervises the examination of more than 6,000 insured State nonmember banks and maintains close vigilance over the condition of all 14,000 insured banks. It passes upon applications of all insured banks under its jurisdiction for consent to retirement or reduction of capital; change of location of main office; merge or consolidate with or assume deposit liabilities of noninsured banks; transfer of assets to noninsured banks; extension of corporate or charter powers; or to change the general character of their business. It passes upon all matters pertaining to the liquidation of assets acquired from insured banks by purchase or loan or which the Corporation is administering as receiver thereof including the sale, compromise, settlement, or other disposition of assets, and the allowance and payment of claims. It also passes upon all matters relating to internal management of the Corporation which have not been delegated to the Chairman. (3) Under a procedure prescribed in detail in the Federal deposit insurance law (12 U. S. C. 264 i) the Board acts as a quasi-judicial tribunal in regard to the termination of the insured status of insured banks for continued unsafe and unsound practices. In this capacity it receives and evaluates evidence, makes findings of fact and conclusions of law, and takes appropriate action to carry out this quasi-judicial process.

Duties of the Chairman of the Board: In addition to his responsibilities as a member of the Board of Directors the Chairman is the chief executive and administrative officer of the Corporation and as such he is responsible for the execution of policies fixed by the Board and for the operations of the Corporation including financial transactions averaging \$400,000,000 annually. Pursuant to power delegated to him by the Board, he performs or supervises all managerial functions and executes, on behalf of the Corporation, all documents of major importance requiring signature. He acts as presiding officer at all Board meetings. He is the liaison officer between the Board of Directors and the President, the Congress, other governmental agencies and the State bank supervisory authorities of the 48 States. As chief executive officer, he maintains a close day-by-day liaison between the heads of the divisions of the Corporation and the Board of Directors, concerning all operations of the Corporation and especially in regard to the condition of approximately 14,000 insured banks, having 90,000,000 depositors, as revealed by examinations and investigations conducted by the Corporation's examiners under the bank examining powers granted the Corporation by the Congress as a vital necessity for the success of deposit insurance.

**Size of organization:**

Number of employees, 1,065.

Estimated annual expenditures for fiscal year 1949, \$5,546,114.<sup>8</sup>

**Position title:** Member of Board of Directors, Federal Deposit Insurance Corporation. Section of bill: 4.

**Present salary:** \$15,000. **Date salary established:** August 5, 1947, by Public Law 363 of Eightieth Congress.

**Proposed salary:** \$16,000.

**Incumbent:** H. E. Cook. **State:** Ohio.

**Responsibilities:** As appointive member of the Board other than the Chairman: The Board of Directors of the Corporation has the responsibility of insuring deposits in insured banks up to \$5,000 for each depositor and of maintaining the solvency of some 14,000 banks. Deposits in these banks totaled \$153,000,000,000 as of December 31, 1948, representing the interests of 90,000,000 depositors. Included in these responsibilities is the management of an insurance fund in excess of \$1,100,000,000. The Federal deposit insurance law (12 U. S. C. 264b) provides that the management of the Corporation shall be vested in a Board of Directors consisting of three members, one of whom shall be the Comptroller of the Currency. The Board of Directors acts in three capacities—quasi-legislative, administrative, and quasi-judicial. (1) As a quasi-legislative body, under legislative standards prescribed by the Federal deposit insurance law (12 U. S. C. 264g), the Board acts upon applications from banks for admission to deposit insurance and applications by insured banks under its jurisdiction for consent to

<sup>8</sup>Administrative expenses only.

establish, operate, or change location of branches. It promulgates regulations governing the payment of deposits and interest thereon by insured banks under its jurisdiction, advertisements by all insured banks, and other regulations implementing the provisions of the law. (2) In an administrative capacity the Board supervises the examination of more than 6,000 insured State nonmember banks and maintains close vigilance over the condition of all 14,000 insured banks. It passes upon applications of all insured banks under its jurisdiction for consent to retirement or reduction of capital; change of location of main office; merge or consolidate with or assume deposit liabilities of noninsured banks; transfer of assets to noninsured banks; extension of corporate or charter powers; or to change the general character of their business. It passes upon all matters pertaining to the liquidation of assets acquired from insured banks by purchase or loan or which the Corporation is administering as receiver thereof including the sale, compromise, settlement, or other disposition of assets, and the allowance and payment of claims. It also passes upon all matters relating to internal management of the Corporation which have not been delegated to the Chairman. (3) Under a procedure prescribed in detail in the Federal deposit insurance law (12 U. S. C. 264i) the Board acts as a quasi-judicial tribunal in regard to the termination of the insured status of insured banks for continued unsafe and unsound practices. In this capacity it receives and evaluates evidence, makes findings of fact and conclusions of law, and takes appropriate action to carry out this quasi-judicial process.

Duties of the appointive member of the Board other than the Chairman: In addition to his responsibilities as a member of the Board, the appointive member of the Board other than the Chairman acts as Chairman of all committees and boards which review and make recommendations on matters to be presented to the Board for consideration and action. In the absence of the Chairman, he executes documents of major importance on behalf of the Corporation.

Size of organization:

Number of employees, 1,065.

Estimated annual expenditures for fiscal year 1949, \$5,546,114.<sup>8</sup>

**Position title: Member, Board of Directors, Federal Deposit Insurance Corporation (Comptroller of the Currency).** Section of bill: 4.

Present salary: \$15,000. Date salary established: August 23, 1935, by Public Law 305 of Seventy-fourth Congress.

Proposed salary: \$16,000.

Incumbent: Preston Delano. State: Maryland.

Responsibilities: As ex-officio member of the Board: The Board of Directors of the Corporation has the responsibility of insuring deposits in insured banks up to \$5,000 for each depositor and of maintaining the solvency of some 14,000 banks. Deposits in these banks totaled \$153,000,000,000, as of December 31, 1948, representing the interests of 90,000,000 depositors. Included in these responsibilities is the management of an insurance fund in excess of 1.1 billion dollars. The Federal Deposit Insurance law (12 U. S. C. 264b) provides that the management of the Corporation shall be vested in a Board of Directors consisting of three members, one of whom shall be the Comptroller of the Currency. The Board of Directors acts in three capacities—quasi-legislative, administrative, and quasi-judicial. (1) As a quasi-legislative body, under legislative standards prescribed by the Federal Deposit Insurance law (12 U. S. C. 264g), the Board acts upon applications from banks for admission to deposit insurance and applications by insured banks under its jurisdiction for consent to establish, operate or change location of branches. It promulgates regulations governing the payment of deposits and interest thereon by insured banks under its jurisdiction, advertisements by all insured banks, and other regulations implementing the provisions of the law. (2) In an administrative capacity the Board supervises the examination of more than 6,000 insured State nonmember banks and maintains close vigilance over the condition of all 14,000 insured banks. It passes upon applications of all insured banks under its jurisdiction for consent to: retirement or reduction of capital; change of location of main office; merge or consolidate with or assume deposit liabilities of noninsured banks; transfer of assets to noninsured banks; extension of corporate or charter powers; or to change the general character of their business. It passes upon all matters pertaining to the liquidation of assets acquired from insured banks by purchase or loan or which the Corporation is administering as receiver thereof including the sale, compromise, settlement or

<sup>8</sup> Administrative expenses only.

other disposition of assets, and the allowance and payment of claims. It also passes upon all matters relating to internal management of the Corporation which have not been delegated to the Chairman. (3) Under a procedure prescribed in detail in the Federal deposit insurance law (12 U. S. C. 264i) the Board acts as a quasi-judicial tribunal in regard to the termination of the insured status of insured banks for continued unsafe and unsound practices. In this capacity it receives and evaluates evidence, makes findings of fact and conclusions of law and takes appropriate action to carry out this quasi-judicial process.

Duties of the Comptroller of the Currency as ex officio member of the Board: The Comptroller of the Currency is the ex officio member of the Board of Directors. In the absence of the Chairman, the Comptroller of the Currency acts as presiding officer at all meetings of the Board. In the event of vacancy in the office of the Chairman, the Comptroller of the Currency acts as Chairman. His entire compensation is paid by the Bureau of Comptroller of the Currency and he receives no additional compensation from the Corporation for his services as ex officio member of the Board.

Size of organization:

Number of employees, 1,065.

Estimated annual expenditures for fiscal year 1949, \$5,546,114.

**Position title:** Director, Federal Mediation and Conciliation Service. Section of bill: 3 (c).

**Present salary:** \$12,000. **Date salary established:** August 22, 1947; by Public Law 101 of Eightieth Congress.

**Proposed salary:** \$17,500.

**Incumbent:** Cyrus S. Ching. **State:** New York.

**Responsibilities:** Administers the Federal Mediation and Conciliation Service which was created by title II of the Labor Management Relations Act, 1947 (Public Law 101, 80th Cong.).

1. The principal objective of the Service is to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes in industries affecting commerce by assisting the parties to settle such disputes through conciliation and mediation.

2. The Director meets with the National Labor-Management Panel and seeks its advice on the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country.

3. He arranges, through the regional directors in the field, for the development and maintenance of cooperative working relationships with State and local mediation agencies.

4. He directs, through the small staff in Washington and a group of 12 regional directors, a staff of approximately 215 mediators and conciliators engaged in the prevention and peaceful settlement of labor-management disputes.

5. He provides, through his national office staff, facilities for the nomination and appointment of arbitrators upon request.

Size of organization:

Number of employees: 380.

Estimated annual expenditures for fiscal year 1949, \$2,836,000.

**Position title:** Associate Director, Federal Mediation and Conciliation Service.

Section of bill: 5 (a).

**Present salary:** \$10,330. **Date salary established:** December 30, 1945.<sup>8</sup>

**Proposed salary:** \$15,000.

**Incumbent:** Howard T. Colvin. **State:** Virginia.

**Responsibilities:** Assists the Director in the formulation of policy and has particular responsibility for the administration and coordination of the program activities in the field.

1. Serves as Acting Director in the absence of the Director.

2. Has immediate responsibility for the direction and supervision of the 12 regional directors and the coordination of their program activities.

3. Has responsibility for supervising the conciliation of particular cases which involve two or more regions.

<sup>8</sup> Administrative expenses only.

<sup>9</sup> By Civil Service Commission Classification Act of 1937, amended.



4. Through a series of reports from the field, keeps the Director and the national office staff informed as to the significant cases arising in the field and the current status of such cases until settlement is achieved.

5. Upon occasion participates in the conciliation of the more important or significant cases.

Size of organization:

Number of employees, 380.

Estimated annual expenditures for fiscal year 1949, \$2,836,000.

**Position title:** Member, Federal Power Commission. Section of bill: 4.

Present salary: \$10,000. Date salary established: June 23, 1930, by Public Law 412 of Seventy-first Congress.

Proposed salary: \$16,000.

Incumbents: Nelson Lee Smith, chairman, New Hampshire; Claude L. Draper, Wyoming; Thomas C. Buchanan, Pennsylvania; Harrington Wimberly, Oklahoma; Leland Olds, New York.

Responsibilities: The five members of the Federal Power Commission share equally the responsibility placed upon it by Congress for administering the provisions of the Federal Power Act, the Natural Gas Act, and the incidental regulatory provisions of certain other Federal statutes. (The functions of the Commission are more fully described in the U. S. Government Manual for 1948, pp. 354-364.)

Under these acts the Commission is responsible for the development and application of national policies with respect to: the licensing of all nonfederally owned water power developments on lands or waters subject to congressional jurisdiction; the making of numerous and comprehensive river basin, power market, supply, and requirement surveys for regulatory purposes and for the use of Congress and other Federal agencies; the regulation of all wholesale rates for electricity and natural gas sold in interstate commerce for resale; the enforcement of uniform accounting for electric and gas utilities and licensees; the regulation of security issues, mergers and consolidations, and interlocking directorates of electric utilities; and the issuance of certificates authorizing construction, acquisition, and operation of natural-gas pipe-line facilities.

As an indication of the magnitude of the Commission's responsibility, approximately 70 percent of the privately owned electric utility industry of the United States, representing a total capitalization of over \$11,500,000,000, is subject to its jurisdiction under the Federal Power Act, and approximately 69 percent of the natural-gas industry, representing a total capitalization of over \$3,000,000,000, is subject to its jurisdiction under the Natural Gas Act.

In addition to its quasi-legislative duties of policy determination and its administrative responsibility for the direction of its staff in their application, the Commission performs quasi-judicial functions through both formal and informal proceedings, involving the issuance of its opinions and orders totaling, in 1948, nearly 1,100.

The Chairman is by statute the principal executive officer of the Commission. As such he performs such administrative functions as are delegated to him by the commission, and usually serves as its spokesman before congressional committees and other governmental agencies on such matters as legislation and finance.

Size of organization:

Number of employees, 830.

Estimated annual expenditures for fiscal year 1949, \$4,305,450.

**Position title:** Chairman, Board of Governors, Federal Reserve System. Section of bill: 4.

Present salary: \$15,000. Date salary established: August 23, 1935, by Public Law 305 of Seventy-fourth Congress.

Proposed salary: \$16,000.

Incumbent: Thomas B. McCabe. State: Pennsylvania.

Responsibilities: Designated by the President as Chairman of the Board of Governors of the Federal Reserve System, and is its active executive officer. The Board has responsibility for national monetary and credit policies, the objective of which is to promote sound banking conditions and an adequate supply of money and credit for use in commerce, industry, and agriculture. One of the important instruments of credit policy is open-market operation (administered



by the Federal Open Market Committee, of which each member of the Board is a member) for the purpose of maintaining a basis for bank credit ample to meet the business needs of the country. Other instruments administered by the Board include changes in reserve requirements of member banks to prevent injurious credit expansion or contraction, determination of discount rates of Federal Reserve banks, regulation of margin requirements to prevent the excessive use of credit for the purchase of securities, and the regulation of consumer installment credit. All of these instruments are interrelated and place upon the Board a broad responsibility for the formulation of policies in the monetary and banking field designed to promote stability in the economy. In addition, the Board is charged with responsibility for the supervision of the 12 Federal Reserve banks and their 24 branches, the issuance and retirement of Federal Reserve notes, which constitute the major portion of our currency, and the exercise of special supervision over all relationships of these banks with foreign banks and bankers. It has numerous other responsibilities relating to the supervision of banks which are members of the Federal Reserve System.

When the Federal Reserve System was established in 1913 as a governmental agency charged with primary responsibility for national monetary and credit policies, Congress specified for the then-as-now full time Reserve Board members salaries equal to those of Cabinet heads. Subsequently, though not concurrently, salaries of Cabinet officers and of Board members were increased to \$15,000.

**Size of organization:**

Number of employees, Board, 545; Federal Reserve banks, 19,081.

Estimated annual expenditures for fiscal year 1949, Board, \$3,357,700;  
Federal Reserve banks, \$92,581,000.

**Position title:** Member, Board of Governors, Federal Reserve System. Section of bill: 4.

**Present salary:** \$15,000. **Date salary established:** August 23, 1935, by Public Law 305 of Seventy-fourth Congress.

**Proposed salary:** \$16,000.

**Incumbents:** Marriner S. Eccles, Utah; M. S. Szymczak, Illinois; Ernest G. Draper, Connecticut; R. M. Evans, Virginia; James K. Vardaman, Jr., Missouri; Lawrence Clayton, Massachusetts.

**Responsibilities:** The Board has responsibility for national monetary and credit policies, the objective of which is to promote sound banking conditions and an adequate supply of money and credit for use in commerce, industry, and agriculture. One of the important instruments of credit policy is open-market operations (administered by the Federal Open Market Committee, of which each member of the Board is a member) for the purpose of maintaining a basis for bank credit ample to meet the business needs of the country. Other instruments administered by the Board include changes in reserve requirements of member banks to prevent injurious credit expansion or contraction, determination of discount rates of Federal Reserve banks, regulation of margin requirements to prevent the excessive use of credit for the purchase of securities, and the regulation of consumer installment credit. All of these instruments are interrelated and place upon the Board a broad responsibility for the formulation of policies in the monetary and banking field designed to promote stability in the economy. In addition, the Board is charged with responsibility for the supervision of the 12 Federal Reserve banks and their 24 branches, the issuance and retirement of Federal Reserve notes, which constitute the major portion of our currency, and the exercise of special supervision over all relationships of these banks with foreign banks and bankers. It has numerous other responsibilities relating to the supervision of banks which are members of the Federal Reserve System.

When the Federal Reserve System was established in 1913 as a governmental agency charged with primary responsibility for national monetary and credit policies, Congress specified for the then-as-now full-time Reserve Board members salaries equal to those of Cabinet heads. Subsequently, though not concurrently salaries of Cabinet officers and of Board members were increased to \$15,000.

**Size of organization:**

Number of employees, Board, 545; Federal Reserve banks, 19,081.

Estimated annual expenditures for fiscal year 1949, Board, \$3,357,700;  
Federal Reserve banks, \$92,581,000.

**Position title:** Administrator, Federal Security Agency. Section of bill: 2 (a).  
**Present salary:** \$12,000. Date salary established, July 1, 1939, by Public Law <sup>10</sup>  
 \_\_\_\_\_ of Seventy-sixth Congress.

**Proposed salary:** \$20,000.

**Incumbent:** Oscar R. Ewing. State: New York.

The Administrator directs and supervises all of the activities of the Federal Security Agency, an organization of more than 37,000 employees, located in over 600 different establishments throughout the continental United States, the Territories, and in several foreign posts. He administers a budget of over \$1,500,000,000 (proposed for fiscal year 1950) including the handling of over a billion dollars in Federal grants to the States for social security, public welfare, public health, education, and vocational rehabilitation. He is responsible, as provided by statute, for the proper administration of such major programs as those provided in the Social Security Act, Public Health Service Act, Office of Education Act, Federal Employees Compensation Act, Food, Drug, and Cosmetic Act, for the operation of vast research programs under the National Institutes of Health, and for a wide range of related acts and programs. He also supervises the management of numerous large institutions such as Freedmen's Hospital, St. Elizabeths Hospital, 26 Marine hospitals, 2 Public Health mental-hygiene hospitals, the Federal Leprosarium, and various other smaller institutions. He is also responsible for the budgeting and handling of Federal funds allocated to Howard University, Columbia Institution for the Deaf, and the American Printing House for the Blind.

Size of organization:

Number of employees, over 37,000.

Estimated annual expenditures for fiscal year 1949, \$1,350,110,164.

**Position title:** Assistant Administrator, Federal Security Agency. Section of bill: 3 (c).

**Present salary:** \$10,330. Date salary established: July 1, 1939,<sup>11</sup> by Public Law \_\_\_\_\_<sup>10</sup> of Seventy-sixth Congress.

**Proposed salary:** \$17,500.

**Incumbent:** J. Donald Kingsley. State: Ohio.

The Assistant Administrator serves as a deputy and alter ego to the Administrator in directing and supervising all of the activities of the Federal Security Agency. He shares with the Administrator, as directed by the latter, responsibility for the administration of all of the programs with which this Agency is charged. In terms of day-to-day operations, he is particularly concerned with the direction of internal administration, while the Administrator concentrates more upon congressional and public relations. The scope and content of the functions supervised by the Assistant Administrator are the same as those described for the Administrator. He also serves as Acting Administrator in the absence of the Administrator and at such times performs all the functions of the Administrator.

**Position title:** Commissioner for Social Security. Section of bill: 5 (a).

**Present salary:** \$10,330. Date salary established: January 1, 1948, by Public Law <sup>12</sup> — of \_\_\_\_\_ Congress.

**Proposed salary:** \$15,000.

**Incumbent:** Arthur J. Altmeyer. State: Wisconsin.

The Commissioner for Social Security directs and supervises the activities of the Social Security Administration. He is responsible, under delegated authority, to the Federal Security Administrator for the administration of all phases of the Social Security Act pertaining to old-age and survivors insurance, public assistance, and employment security, and also for the Children's Bureau and the Bureau of Federal Credit Unions. This includes grants to States for the public-assistance and employment-security programs, and direction of one of the largest insurance operations in the world. He supervises the work of approximately 13,000 employees located throughout the United States.

Size of organization:

Number of employees, approximately 13,000.

Estimated annual expenditures for fiscal year 1949, \$1,010,540,288.

<sup>10</sup> 53 Stat. 1424 (no Public Law number; Reorganization Plan No. 1 of 1939).

<sup>11</sup> Salary initially set at \$9,000; subsequently raised by effects of Pay Acts of 1945, 1946, and 1948 to the present rate.

<sup>12</sup> Not a statutory salary. Position classified as P-8 under Classification Act of 1923, as amended. Prior to January 1, 1948, this was a statutory salary provided in Reorganization Plan No. 2 of 1946 (no Public Law number; 60 Stat. 1095).



**Position title:** Chairman, Federal Trade Commission. Section of bill: 4.

Present salary: \$10,000.<sup>13</sup> Date salary established: September 26, 1914, by Public Law 203 of the Sixty-third Congress.

Proposed salary: \$16,000.

Incumbent: Vacaney. State: ———.

**Responsibilities:** The five Commissioners comprising the Federal Trade Commission are authorized and directed by acts of Congress (1) to promote free and fair competition in interstate trade in the interest of the public through prevention of price-fixing agreements, boycotts, combinations in restraint of trade, unlawful price discriminations, and other unfair methods of competition and unfair or deceptive acts and practices, including false advertising; (2) to safeguard life and health of the consuming public by preventing the dissemination of false advertisements of food, drugs, cosmetics, and devices; and (3) to make available to the President, the Congress, and the public factual data concerning economic and business conditions as a basis for remedial legislation when needed, and for the guidance and protection of the public.

The extent and magnitude of these responsibilities of the Commissioners is emphasized by the fact that the value of the goods flowing in interstate commerce and subject to their authority is in the aggregate tens of billions of dollars' worth a year. Since the \$10,000 per annum salary for the Commissioners was fixed by the Congress in 1914, the importance and volume of the duties of the Commissioners have been greatly enlarged both by reason of the extent of the additional duties delegated by the Congress to the Commissioners and the increase in the number and complexity of the economic and legal problems presented for their determination. The Commissioners, in their discretion, must weigh, consider, and decide delicately balanced questions of law and fact and in individual cases their decisions, including the choice of remedy imposed, may involve millions of dollars to a particular concern or concerns and vitally affect the economic interests of competitors and consumers. The economic and political structure of the United States is based on a free and competitive economy, and the Congress has delegated to the Commissioners the responsibility and discretion in the selecting of the matters for consideration and, in their determination of the matters selected, the keeping of the channels of interstate commerce free and fair.

In addition to the above duties as a Commissioner, the Chairman calls and presides at meetings of the Commission and presides at hearings on litigation cases before the Commission. He is ordinarily the spokesman for the Commission in testifying on appropriations and other matters before the committees of Congress and at other important official functions. The Chairman reviews and corrects when necessary all press releases prior to issuance by the Commission. The Chairman also reviews and signs all stipulations to cease and desist and all findings as to the facts proposed for issuance by the Commission. The Chairman also reviews and usually signs all letters from the Commission containing important statements of policy, including letters sent to Members of Congress.

**Position title:** Member, Federal Trade Commission. Section of bill: 4.

Present salary: \$10,000.<sup>13</sup> Date salary established: September 26, 1914, by Public Law 203 of Sixty-third Congress.

Proposed salary: \$16,000.

Incumbents: Garland S. Ferguson, North Carolina; Ewin L. Davis, Tennessee; W. A. Ayres, Kansas; Lowell B. Mason, Illinois.

**Responsibilities:** The five Commissioners comprising the Federal Trade Commission are authorized and directed by acts of Congress (1) to promote free and fair competition in interstate trade in the interest of the public through prevention of price-fixing agreements, boycotts, combinations in restraint of trade, unlawful price discriminations, and other unfair methods of competition and unfair or deceptive acts and practices including false advertising; (2) to safeguard life and health of the consuming public by preventing the dissemination of false advertisements of food, drugs, cosmetics, and devices; and (3) to make available to the President, the Congress and the public factual data concerning economic and business conditions as a basis for remedial legislation when needed, and for the guidance and protection of the public.

The extent and magnitude of these responsibilities of the Commissioners is emphasized by the fact that the value of the goods flowing in interstate commerce and subject to their authority is in the aggregate tens of billions of dollars' worth

<sup>13</sup> Pending independent-offices appropriation bill for fiscal year 1950 provides salaries of \$12,000 for each Commissioner.

a year. Since the \$10,000 per annum salary for the Commissioners was fixed by the Congress in 1914, the importance and volume of the duties of the Commissioners have been greatly enlarged both by reason of the extent of the additional duties delegated by the Congress to the Commissioners and the increase in the number and complexity of the economic and legal problems presented for their determination. The Commissioners, in their discretion, must weigh, consider, and decide delicately balanced questions of law and fact and in individual cases their decisions, including the choice of remedy imposed, may involve millions of dollars to a particular concern or concerns and vitally affect the economic interests of competitors and consumers. The economic and political structure of the United States is based on a free and competitive economy and the Congress has delegated to the Commissioners the responsibility and discretion in the selecting of the matters for consideration and, in their determination of the matters selected, the keeping of the channels of interstate commerce free and fair.

Size of organization:

Number of employees, 681.

Estimated annual expenditures for fiscal year 1949, \$3,612,000.

**Position title:** Administrator, Federal Works Agency. Section of bill: 3 (a).

**Present salary:** \$12,000. **Date salary established:** July 1, 1939, by Public Law 20 of Seventy-sixth Congress.

**Proposed salary:** \$18,000.

**Incumbent:** Maj. Gen. Philip B. Fleming. State, Iowa.

**Responsibilities:** The Federal Works Administrator is appointed by the President by and with the approval of the Senate; responsible for general direction and supervision over administration of the Public Buildings Administration, the Public Roads Administration, and the Bureau of Community Facilities; exercises all functions of secretaries of departments relating to bureaus transferred to this Agency; reports directly to the President; sits regularly with the Cabinet, since 1941; advises the President and congressional committees on matters of public works planning and construction and relation of such matters to the national economy; establishes policies and programs of the Agency and effectuates them by direct negotiations with and delegations to the heads of the constituent bureaus; provides direct line of responsibility from President to operating officials of the Agency; provides supervision over the administrative functions of the bureaus through a small specialized central staff reporting directly to him; maintains liaison with Members of Congress, the heads of other Federal agencies, State and local officials, professional societies concerned with public works, and the public; executes or coordinates special programs assigned to him by the President such as disaster relief, highway safety, fire prevention, etc.; assigns to the appropriate bureau for execution, programs vested in him by legislation.

Agency programs involve services in public works planning and construction by direct action, grants-in-aid, and loans; they spread over all 48 States, the territories and possessions and 10 foreign countries; they involve continuing cooperative relationships with almost every agency of the executive establishment, the governments of each State and Territory as well as each foreign country involved and with many local public bodies; measured in expenditure of Federal funds for 1949 the main categories of programs are: highways, \$485,000,000 (which generates a total expenditure of some \$900,000,000); building construction and maintenance, \$135,000,000, other public works, \$32,000,000, a total of \$652,000,000; the building-construction program is purposely subnormal to avoid competition for construction facilities with essential private building construction: the program of public works other than highways and buildings is subnormal as certain programs are nearing completion and a new program is just starting; authorizations for substantial new programs for buildings and for other public works are being considered by this Congress.

Size of organization:

Number of employees, March 31, 1949, 23,142.

Estimated annual expenditures for fiscal year 1949, \$651,662,000.



**Position title:** Assistant Administrator, Federal Works Agency. Section of bill: 4. Present salary: \$10,000.<sup>14</sup> Date salary established: July 1, 1946, by Public Law 334 of Seventy-ninth Congress.

Proposed salary: \$16,000.

Incumbent: James W. Follin. State: District of Columbia.

**Responsibilities:** The position of Assistant Federal Works Administrator is provided for by law and is filled by appointment by the Administrator; acts by law for the Administrator in his absence; assists the Federal Works Administrator throughout the full gamut of his responsibilities; reviews for the Administrator legislative and budgetary proposals and represents the Administrator before congressional committees; exercises general supervision over the program planning and program accomplishments of the agency; as chief of staff directs the staff activities of the Administrator's office; immediate supervision of economic and statistical research concerning construction and State and local planning, both with specific reference to public construction as a whole and to agency programs; participates actively in the development and furtherance of proposed authorizations of new and continued programs; performs such other special assignments as the Administrator may from time to time require.

Agency programs involve services in public-works planning and construction by direct action, grants-in-aid, and loans; they spread over all 48 States, the Territories and possessions and 10 foreign countries; they involve continuing cooperative relationships with almost every agency of the executive establishment, the governments of each State and Territory as well as each foreign country involved and with many local public bodies; measured in expenditure of Federal funds for 1949 the main categories of programs are: Highways \$485,000,000 (which generates a total expenditure of some \$900,000,000), building construction and maintenance \$135,000,000, other public works \$32,000,000, a total of \$652,000,000; the building-construction program is purposely subnormal to avoid competition for construction facilities with essential private building construction; the program of public works other than highways and buildings is subnormal as certain programs are nearing completion and a new program is just starting; authorizations for substantial new programs for buildings and for other public works are being considered by this Congress.

Size of organization:

Number of employees, March 31, 1949, 23,142.

Estimated annual expenditures for fiscal year 1949, \$651,662,000.

**Position title:** Commissioner, Bureau of Community Facilities. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Pere F. Seward. State: Maryland.

**Responsibilities:** The Commissioner of Community Facilities is appointed by the Federal Works Administrator and reports directly to him; responsible by delegation from the Administrator for the proper administration and execution of programs assigned to the Bureau of Community Facilities by the Administrator and in conformity to his policies and programs; directs these programs through a small central staff and executes them through a field organization of nine divisions with appropriately limited delegation of his authorities and exactment of equal responsibilities to him; participates actively in program planning and in developing and furthering proposed authorizations for new or continued programs in the field of public works, other than buildings and highways; provides direction for President's disaster-relief program.

Programs are in the field of public-works planning and construction by direct action, grants-in-aid, and loans; spread over 48 States, Territories, and possessions; involve continuing cooperative relationships with other Federal agencies, governments of States and with local public bodies; include 5-year program of public works in the Virgin Islands totaling \$10,000,000, 5-year program for water-pollution control totaling \$120,000,000, custody and disposal of Federal properties and bonds totaling some \$168,000,000, the completion of programs for veterans' educational facilities, public-works advance planning involving repayment of advances to local bodies of some \$51,000,000, assistance in maintenance and

<sup>14</sup> Independent Offices Appropriation Act, 1950, as passed by the House provides \$10,330.

operation of certain schools, and direction and coordination of disaster relief by special delegation from the Administrator; authorization for several substantial new programs are being considered by this Congress.

Size of organization:

Number of employees March 31, 1949, 395.

Estimated annual expenditures for fiscal year 1949, \$32,000,000.

**Position title: Commissioner, Public Buildings Administration.** Section of bill: 5 (a).

Present salary: \$10,330.<sup>15</sup> Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress. (\$10,000 July 1, 1943 by Public Law 125 of Seventy-eighth Cong).

Proposed salary: \$15,000.

Incumbent: W. E. Reynolds. State: Iowa.

Responsibilities: Reorganization Plan No. 1 provides in section 301 (a) that the Federal Works Administrator "shall have general direction and supervision over the administration of the several agencies consolidated into the Federal Works Agency \* \* \* and shall be responsible for the coordination of their functions." Section 303 of the plan states: "The Commissioner of Public Buildings shall be appointed by the Federal Works Administrator. The Commissioner of Public Buildings shall act under the direction and supervision of the Federal Works Administrator." Subject to the foregoing general directive, the Commissioner of Public Buildings is charged with the responsibility of developing and executing construction and repair programs involving Federally owned buildings and other programs for the management, operation, and utilization of Federally owned and rented buildings, including the leasing of space in the latter, for the accommodation of the executive establishments in Washington and for the country at large, exclusive of certain special service types of structures and facilities and those upon reservations of National Military Establishments.

These programs include: (a) the complete design, construction, repair, and preservation of Federal buildings; (b) management, operation, and protection of Government-owned and leased buildings; (c) providing and operating public utility communication services to Government activities; (d) maintenance of a continuous survey of the use of Government-owned and leased office space, and obtaining economical utilization or surrender; control and disposition of surplus real property; acquisition and management until commencement of construction of sites for Federal buildings; and (e) management of a continuous program, Nation-wide in scope, whereby an essential nucleus of Government-owned industrial plants and a national reserve of machine tools and industrial manufacturing equipment may be available to assist the supply of essential needs of the armed forces in time of national emergency or in anticipation thereof.

Size of organization:

Number of employees March 31, 1949, 19,118.

Estimated annual expenditures for fiscal year 1949, \$134,315,000.

**Position title: Commissioner, Public Roads Administration.** Section of bill: 5 (a).

Present salary: \$10,330.<sup>15</sup> Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress (\$10,000 July 1, 1943, by Public Law 125 of 78th Cong.).

Proposed salary: \$15,000.

Incumbent: Thomas H. MacDonald. State: Iowa.

Responsibilities: The Commissioner of Public Roads is head of the Public Roads Administration of the Federal Works Agency and reports directly to the Federal Works Administrator. As the principal road-building organization of the Federal Government, Public Roads administers the Federal-Aid Highway Act through which funds are made available to the States for a cooperative program for improvement of primary, secondary, and urban highways. The Federal-aid system of these three groups of highways now totals 617,215 miles. Public Roads also carries on an extensive program of highway research, which provides a setting for national and international leadership in the development of progressive highway administration, engineering, and research. Federal aid to the States for the improvement of highways has been in effect since 1916. The current Federal-aid program is financed largely from funds authorized by the Federal-Aid Highway Acts of 1944 and 1948. The 1944 act authorized \$500,000,000 a year in Federal funds for each of the first three postwar fiscal years,

<sup>15</sup> Independent offices appropriation bill, 1950, as passed by the House provides \$12,000.



and the 1948 act continued the program by authorizing \$450,000,000 a year for each of the fiscal years 1950 and 1951.

The Public Roads Administration also cooperates with the Forest Service, National Park Service, and other Federal agencies in the development of programs for major highway improvements in the national forests, parks, and other Federal areas and is responsible for plans and surveys, location, design, and construction of highway projects in the areas. Public Roads Administration is also responsible for direction of the following programs: Cooperation with other Federal agencies in the design and improvement of main highways in Alaska, design and construction of the Inter-American Highway in cooperation with Central American Republics, advice and assistance in highway matters to member countries of the Pan American Union and rehabilitation and restoration of highways destroyed and damaged during the war in the Philippines.

Size of organization:

Number of employees March 31, 1949, 3,542.

Estimated annual expenditures for fiscal year 1949, \$484,984,000.

**Position title: Comptroller General of the United States.** Section of bill: 2 (a).

Present salary: \$12,000. Date salary established: April 5, 1941, by Public Law 28 of Seventy-seventh Congress.

Proposed salary: \$20,000.

Incumbent: Lindsay C. Warren. State: North Carolina.

Responsibilities: The Comptroller General controls and directs the General Accounting Office, created by the Budget and Accounting Act, 1921, and vested with all the powers and duties of the former accounting officers of the Treasury. The Office is in the legislative branch and the Comptroller General is the agent of the Congress. The principal functions of the Office are to audit all Federal expenditures and settle accounts reflecting Federal financial transactions. Its determinations as to the legal availability of appropriations are final and conclusive upon the executive branch.

The execution of these responsibilities involves (a) issuance of rules and regulations for carrying out the work of the General Accounting Office; (b) counter-signing of warrants authorized by law and issued by the Secretary of the Treasury making funds available for expenditure; (c) prescribing of forms, systems, and procedures for administrative appropriation accounting in all departments and agencies, and inventory accounting systems in all independent agencies as well as leadership in the joint accounting program of the Budget Bureau, Treasury, and General Accounting Office; (d) rendering of advance decisions to the heads of departments and agencies, disbursing or certifying officers upon any question involving a payment to be made by or under them; (e) settlement and adjustment, independent of the executive departments, of all claims and accounts in which the United States is concerned either as debtor or creditor—balances certified by the Comptroller General being final and conclusive upon the executive branch; (f) audit of all Government corporations and the reporting of their operations and financial condition, and any illegal transactions found, for each fiscal year to the Congress, the President, the Secretary of the Treasury, and the corporation; (g) expenditure analyses of executive agencies, from the standpoint of economy and efficiency and reporting of results to congressional committees; (h) investigation of all matters relating to the receipt, disbursement, and application of public funds; (i) making of recommendations to the President, when requested, and to the Congress, for legislation to facilitate prompt rendition and settlement of accounts, as well as other matters in regard to the application of public funds and economy or efficiency in public expenditures. The Comptroller General is required to make investigations and reports ordered by either House of Congress or by any committee of either House having jurisdiction over revenues, appropriations, or expenditures.

As having an important bearing upon the national economy, the discharge of these responsibilities results in an independent audit over expenditures, and recoveries of large sums of public moneys which have been paid out erroneously or illegally. Far larger, inestimable savings flow from the effects of audit and control as a deterrent against careless or wrongful spending.

Size of organization:

Number of employees, 9,500.

Estimated annual expenditures for fiscal year 1949, \$35,600,000.

**Position title: Assistant Comptroller General.** Section of bill: 3 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$18,000.

Incumbent: Frank L. Yates. State: West Virginia.

**Responsibilities:** The Assistant Comptroller General is responsible for performing duties assigned to him by the Comptroller General and acts as Comptroller General during the absence of that official or during a vacancy in such office. He counsels the Comptroller General on major policy matters in connection with the direction and control of the General Accounting Office. This Office was created by the Budget and Accounting Act of 1921 and is in the legislative branch. Its principal functions are to audit all Federal expenditures and settle accounts reflecting Federal financial transactions. Its determinations as to the legal availability of appropriations are final and conclusive upon the executive branch.

The execution of these responsibilities involves the rendering of decisions and opinions, having the same force and effect as though rendered by the Comptroller General, in cases involving the legality of Government expenditures; representing the Comptroller General in meetings with officials of the executive branch and before committees of Congress; consulting with and advising Chiefs of Divisions of the Office on matters related to their operating problems; and assisting the Comptroller General in carrying out the duties of his office which include (a) issuance of rules and regulations for carrying out the work of the General Accounting Office; (b) countersigning of warrants authorized by law and issued by the Secretary of the Treasury making funds available for expenditure; (c) prescribing of forms, systems, and procedures for administrative appropriation accounting in all departments and agencies and inventory accounting systems in all independent agencies, as well as leadership in the joint accounting program of the Budget Bureau, Treasury, and General Accounting Office; (d) rendering of advance decisions to the heads of departments and agencies, disbursing or certifying officers upon questions involving payments to be made by or under them; (e) settlement and adjustment, independent of the executive departments, of all claims and accounts in which the United States is concerned either as debtor or creditor—balances certified as a result being final and conclusive upon the executive branch; (f) audit of all Government corporations and the reporting of their operations and financial condition, and any illegal transactions found, for each fiscal year to the Congress; (g) expenditure analyses of executive agencies, from the standpoint of economy and efficiency; (h) investigation of all matters relating to the receipt, disbursement, and application of public funds; (i) recommendations to the President upon request, and to the Congress, for legislation to effect prompt settlement of accounts, and as to the application of public funds and economy or efficiency in public expenditures; (j) investigations and reports ordered by either House of Congress or by any committee of either House having jurisdiction over revenues, appropriations, or expenditures, as well as continuous service to congressional committees, upon their request, on pending measures or matters under inquiry.

As having an important bearing upon the national economy, the discharge of these responsibilities results in an independent audit over expenditures, and recoveries of large sums of public moneys which have been paid out erroneously or illegally. Far larger, inestimable savings flow from the effects of audit and control as a deterrent against careless or wrongful spending.

**Size of organization:**

Number of employees, 9,500.

Estimated annual expenditures for fiscal year 1949, \$35,600,000.

**Position title: The Public Printer.** Section of bill: 3 (c).

Present salary: \$10,330.<sup>16</sup> Date basic salary established: May 29, 1928, by Public Law 619 of Seventieth Congress (45 Stat. 1006, 44 U. S. C. 39 A).

Proposed salary: \$17,500.

Incumbent: John J. Deviny. State: Washington, D. C.

**Responsibilities:** Appointed by the President by and with the consent of the Senate, the Public Printer is the executive head of the Government Printing Office, which is, by law, the agency through which all printing for the United States Government is produced or obtained, and which employs more than 7,000 persons, several thousand of whom are journeyman craftsmen in the graphic arts trades; is responsible for originating or approving and promulgating all orders of

<sup>16</sup> Additional \$330 per annum authorized by Public Law 900, Eightieth Cong., effective July 11, 1948.



policy affecting administration, production and personnel within the Government Printing Office; advises the Congressional Joint Committee on Printing on action to be taken on applications for the establishment of departmental printing plants and suggests suitable legislation covering public printing and binding; grants waivers for direct procurement of printing and binding by Government agencies; directs procurement of printing from commercial sources; arranges the making of contracts for paper, printing equipment and supplies; is responsible for policy decisions, employment of personnel and departmental relations affecting the expenditure of approximately \$55,000,000 annually; negotiates wage rates with journeyman craftsmen as provided by the Kiess Act and fixes the rates of pay for all other employees. In addition, the Public Printer is required to adopt and employ such measures as, in his discretion, may be deemed necessary to remedy any neglect, delay, duplication, or waste in the public printing and binding and the distribution and sale of Government publications and documents.

Size of organization:

Number of employees, 7,000.

Estimated annual expenditures for fiscal year 1949, \$55,000,000.

**Position title: Deputy Public Printer.** Section of bill: 5 (a).

Present salary: \$10,330.<sup>17</sup> Date salary established: May 29, 1928, by Public Law 619 of Seventieth Congress (45 Stat. 1006, 44 U. S. Code 39A).

Proposed salary: \$15,000.

Incumbent: Philip L. Cole. State: Maryland.

Responsibilities: In compliance with statutory requirements, acts as Public Printer in the absence of the latter. Responsible for over-all administration of plant production; reviews and passes upon recommendations of Production Manager on all matters affecting policy, techniques, equipment, and personnel of production divisions; develops and recommends to the Public Printer major policy affecting production; serves as chairman of Permanent Board of Inspection of Paper, etc., Board of Inspection—binding materials, board of condemnation, committee on remelting plates, committee on deferment, employee suggestion committee, and committee on certification of awards.

In addition, develops policy affecting production and administration through the medium of direct contact with line and staff officials and conferences with representatives of the industry; and is responsible for improving methods and operations and effecting economies therein, through development and placement of personnel.

Size of organization:

Number of employees, 7,000.

Estimated annual expenditures for fiscal year 1949, \$55,000,000.

**Position title: Administrator, Housing and Home Finance Agency.** Section of bill: 3 (a).

Present salary: \$16,500. Date salary established: August 10, 1948, by Public Law 901 of Eightieth Congress.

Proposed salary: \$18,000.

Incumbent: Raymond M. Foley. State: Michigan.

Responsibilities: The Administrator is responsible for general supervision and coordination of the functions of the constituent agencies (Home Loan Bank Board, including Federal Savings & Loan Insurance Corporation, and Home Owners' Loan Corporation, the Federal Housing Administration, and the Public Housing Administration); supervises and directs management and disposition of war and emergency housing; supervises a program of research in connection with standardized building codes and modular coordination; serves as chairman of the National Housing Council. He serves as the Government's principal housing official, and reports to and advises the President and the Congress with respect to housing matters. Actual program operations are carried out by the Commissioners of the Federal Housing Administration, and the Public Housing Administration, and the Chairman and Board members of the Home Loan Bank Board.

The program of the Agency under the Administrator's general supervision and coordination includes assistance to private home building through mortgage insurance covering approximately one-third of current new construction, plus insurance of mortgages financing sales of existing housing and notes to finance repair and modernization; administration of outstanding mortgage and home loan

<sup>17</sup> Increase to \$8,225 per annum effective July 1, 1945, Public Law 106, 79th Cong. Increase to \$10,000 per annum, Public Law 390, 79th Cong., effective July 1, 1946. Additional \$330 per annum, authorized by Public Law 900, 80th Cong., effective July 11, 1948.

insurance totaling more than \$7,600,000,000; operation of a national system of Federal home loan banks and savings and loan associations; insurance of savings in institutions of the savings and loan type with an outstanding insured liability of some \$8,000,000,000; administration of nearly 200,000 units of permanent low-rent housing under the United States Housing Act program; management and disposition of nearly 500,000 war and emergency housing units and other housing in liquidation.

Size of organization:

Number of employees; 11,589 as of March 31, 1949.

Estimated annual expenditures for fiscal year 1949, \$43,000,000.

**Position title: The Housing Expediter.** Section of bill: 5 (a).

Present salary: \$12,000. Date salary established: May 22, 1946, by Public Law 388 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbent: Tighe E. Woods. State: Illinois.

Responsibilities: The Housing Expediter is charged with the responsibility of administering the Housing and Rent Act of 1947, as amended by the Housing and Rent Act of 1949, in accordance with the intent of the Eighty-first Congress. The purpose of this act, as indicated by Congress, is to provide an orderly process of stabilizing rents for housing accommodations and to control unwarranted evictions during the transitional period from war to peace. The act gives the Housing Expediter the authority to issue such regulations and orders as he may deem necessary to carry out the provisions of the act, including (1) establishment and maintenance of maximum rents on housing accommodations, (2) the control of evictions, (3) the right to sue for treble damages in cases of over-ceiling violations, (4) authority to decontrol areas where the demand for housing has been reasonably met, (5) authority to recontrol areas which he has decontrolled after April 1, 1949, (6) according preference to veterans of World War II in the sale or rent of new housing accommodations.

The Housing Expediter has an obligation to both Congress and the people of the United States to administer a Nation-wide rent-control program on housing which will result in fair and impartial consideration to both tenants and landlords alike, and to keep the public in general informed as to their rights and privileges under the Housing and Rent Act. He is responsible further for investigating alleged violations of the act and bringing about proper legal proceedings in enforcing the regulations and orders issued thereunder.

Size of organization:

Number of employees, 4,836 (expected to increase by 1,500).

Estimated annual expenditures for fiscal year 1949, \$22,972,000.

**Position title: Member, Indian Claims Commission.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: August 13, 1946, by Public Law No. 726 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbents: Edgar E. Witt, Chief Commissioner, Texas; Louis J. O'Marr, Associate Commissioner, Wyoming; William M. Holt, Associate Commissioner, Nebraska.

Responsibilities: As a member of the Indian Claims Commission he has the responsibility, in conjunction with the two other Commissioners, to hear and adjudicate all claims presented by tribes, bands, and identifiable groups of American Indians against the United States, accruing prior to August 13, 1946. His duties are judicial in character and correspond to the duties and responsibilities of a judge of the Court of Claims. He is barred by the act creating the Commission from engaging in any other business, vocation, or employment during his term of office.

Besides the hearings in such cases the Commission must make findings of fact, conclusions of law, and prepare opinions or statements of the reasons for its findings and conclusions in each case. Such findings, conclusions, and opinions are prepared by the Commissioner to whom the cases may be assigned for this purpose. The claims over which the Commission has jurisdiction are numerous and involve many millions of dollars; and, under the act creating the Commission, they must be finally determined within 10 years after April 10, 1947, at which time the existence of the Commission terminates, unless terminated by an earlier completion of its work.

Size of organization:

Number of employees, 11.

Estimated annual expenditures for fiscal year 1949, \$82,500.

**Position title: Secretary of the Interior.** Section of bill: 1.

Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 624 of Sixty-eighth Congress.

Proposed salary: \$25,000.

Incumbent: Julius A. Krug. State: Wisconsin.

**Responsibilities:** The Secretary of the Interior is the head of the Department and is charged with the supervision and direction of the functions performed and activities carried on by the offices and employees throughout the Department. The Department is responsible for the management, conservation, and development of the natural resources of the United States. These resources include the public lands and the Federal range, water, and power resources, oil and gas and other mineral resources, certain forest resources, fish and wildlife resources, and the national park system. In addition, the Department has specialized responsibilities to the Indians and to the Territories and island possessions of the United States.

The jurisdiction of the Secretary of the Interior covers the following principal bureaus and offices: Office of the Secretary, Bureau of Land Management, Bureau of Indian Affairs, Geological Survey, Bureau of Reclamation, Bureau of Mines, National Park Service, Fish and Wildlife Service, Bonneville Power Administration, Southwestern Power Administration, Puerto Rico Reconstruction Administration, Oil and Gas Division, Board on Geographic Names, Division of Territories and Island Possessions, Division of Power, Office of Land Utilization, Office of the Solicitor, Division of Information, Division of Budget and Administrative Management, Division of Administrative Services, Division of Personnel Supervision and Management.

**Size of organization:**

Number of employees, paid, 49,958; uncompensated, 2,093; total, 52,051.

Estimated annual expenditures for fiscal year 1949, \$537,638,504.

**Position title: Under Secretary of the Interior.** Section of bill: 2 (a).

Present salary: \$10,330. Date salary established: May 9, 1935, by Public Law 53 of Seventy-fourth Congress.

Proposed salary: \$20,000.

Incumbent: Oscar L. Chapman. State: Colorado.

**Responsibilities:** The Under Secretary of the Interior is the ranking administrative official of the Department under the Secretary of the Interior. He shares with the Secretary direct supervision of the following bureaus and offices: Office of the Solicitor, Program Staff, Oil and Gas Division, Office of Land Utilization, Office of Information, Division of Power (Bonneville Power Administration, Southwestern Power Administration, power activities of other bureaus), Division of Personnel Supervision and Management, Division of Budget and Administrative Management, Division of Administrative Services, Division of Territories and Island Possessions, and Division of Geography.

The Under Secretary performs such other duties as are prescribed by the Secretary, and is authorized to exercise the powers of the Secretary with respect to matters which come before him.

**Size of organization:**

Number of employees, 7.

Estimated annual expenditures for fiscal year 1949, \$37,272.

**Position title: Assistant Secretary of the Interior.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: February 29, 1944, by Public Law 241 of Seventy-eighth Congress.

Proposed salary: \$15,000.

Incumbent: C. Girard Davidson. State: Oregon.

**Responsibilities:** The Assistant Secretary of the Interior is one of the chief administrative officials of the Department under the Secretary of the Interior. The following bureaus are assigned for supervisory purposes: Bureau of Land Management, Bureau of Mines, Geological Survey, National Park Service.

In addition, this Assistant Secretary's assignment includes all matters concerning the Pacific Northwest. In this connection he is charged with the responsibility of formulating a departmental program and maintaining a continuing supervision over the departmental and bureau programs and activities involved in the Pacific Northwest area.



The Assistant Secretary performs such other duties as are prescribed by the Secretary, and is authorized to exercise the powers of the Secretary with respect to matters which come before him.

Size of organization:

Number of employees, 6.

Estimated annual expenditures for fiscal year 1949, \$33,274.

**Position title: Assistant Secretary of the Interior.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: February 29, 1944, by Public Law 241 of Seventy-eighth Congress.

Proposed salary: \$15,000.

Incumbent: William E. Warne. State: California.

Responsibilities: The Assistant Secretary of the Interior is one of the chief administrative officials of the Department under the Secretary of the Interior. The Department is responsible for the management, conservation, and development of the natural resources of the United States.

The following bureaus are assigned for supervisory purposes: Bureau of Reclamation, Bureau of Indian Affairs, Fish and Wildlife Service.

Activities of these bureaus include water and power resources, fish and wildlife resources, and the particular responsibility to the Indians.

In addition, this Assistant Secretary's assignment includes all matters concerning the Territory of Alaska. In this connection he is charged with the responsibility of formulating a department program and maintaining a continuing supervision over the departmental and bureau programs and activities involved in the Territory of Alaska.

The Assistant Secretary performs such other duties as are prescribed by the Secretary and is authorized to exercise the powers of the Secretary with respect to matters which come before him.

Size of organization:

Number of employees, 7.

Estimated annual expenditures for fiscal year 1949, \$33,677.

**Position title: Governor of Alaska.** Section of bill: 5 (a).

Present salary: \$10,330.<sup>18</sup> Date salary established: March 4, 1931, by Public Law 863 of Seventy-first Congress.

Proposed salary: \$15,000.

Incumbent: Ernest Gruening. State: Alaska.

Responsibilities: The Governor of Alaska has practically all the responsibilities and duties of the governor of a State plus some important functions not performed by a State governor. He is the chief executive. He recommends, approves, or vetoes legislation; supervises the work of Territorial agencies; and represents the President and the Federal Government in their relations with the Territory. With the Delegate he is the spokesman for the Territory in its relations with Congress and the American public. Because of his position, public and social demands on his time and purse are very heavy.

Size of organization:

Number of employees, 7.

Estimated annual expenditures for fiscal year 1949, \$67,357.

**Position title: Governor of Hawaii.** Section of bill: 5 (a).

Present salary: \$10,330.<sup>18</sup> Date salary established: July 9, 1921, by Public Law 34 of Sixty-seventh Congress.

Proposed salary: \$15,000.

Incumbent: Ingram M. Stainback. State: Hawaii.

Responsibilities: The Governor of Hawaii has practically all the responsibilities and duties of the governor of a State plus some important functions not performed by a State governor. He is the chief executive. He recommends, approves, or vetoes legislation; supervises the work of Territorial agencies; and represents the President and the Federal Government in their relations with the Territory. With the Delegate he is the spokesman for the Territory in its relations with Congress and the American public. Because of his position, public and social demands on his time and purse are very heavy.

Size of organization:

Number of employees, 4.

Estimated annual expenditures for fiscal year 1949, \$26,431.

<sup>18</sup>Salary established at \$10,000 per annum; \$330 added in accordance with Employees Pay Act of July 1948.



**Position title: Governor of Virgin Islands.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: Under provisions of Classification Act.

Proposed salary: \$15,000.

Incumbent: William H. Hastie. State: Virgin Islands.

Responsibilities: The Governor of the Virgin Islands has practically all the responsibilities and duties of the governor of a State plus some important functions not performed by a State governor. He is the chief executive. He recommends, approves, or vetoes legislation; supervises the work of the municipal governments; and represents the President and the Federal Government in their relations with the islands. He is the spokesman for the islands in their relations with Congress and the American public. Because of his position, public and social demands on his time and purse are very heavy.

Size of organization:

Number of employees, 49.

Estimated annual expenditures for fiscal year 1949, \$225,214.

**Position title: Commissioner of Reclamation.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: May 26, 1926, by Public Law 297 of Sixty-ninth Congress.

Proposed salary: \$15,000.

Incumbent: Michael W. Straus. State: Illinois.

Responsibilities: The Commissioner of Reclamation is responsible for the administration of the reclamation law (original act and all acts amendatory thereof and supplementary thereto) and the Commissioner's administration is subject to the supervision and direction of the Secretary of the Interior. This administration of the reclamation acts includes responsibility for everything provided for by approximately 1,000 pages of reclamation law covering the 17 Western States, including essential investigations, economic studies, physical studies, negotiations, contracting for delivery of water and repayment therefor and construction, and the same for power, as well as the administration of funds, reporting on all activities to the Congress, settlement and development of project areas by irrigation, and production and disposition of electrical energy and, also, all executive actions in setting up, developing, and administering a 17-State major planning, economic development, and construction program.

NOTE.—The statutory office of Commissioner of Reclamation, as well as the salary, was established by the one-paragraph act of May 26, 1926, which has never been amended by the Congress. On that date the Bureau of Reclamation was carrying on a program involving the expenditure of \$8,000,000 to \$10,000,000 a year. At the present time, annual reclamation expenditures appear to be approaching the \$400,000,000 velocity and the completed works which are also a responsibility of the Commissioner of Reclamation represent a Federal investment of about a billion and a half dollars. The program since the war has been accelerated by the Congress. As demands for water and power are not now being met and probably will not be met within the immediate foreseeable future, the program may continue to expand until the supply of water is exhausted. It is estimated that the supply of available water in the West is about half developed under present economic and legal standards.

Size of organization:

Number of employees, 13,438.

Estimated annual expenditures for fiscal year 1949, \$284,723,295.

**Position title: Member, Interstate Commerce Commission.** Section of bill: 4.

Present salary: \$12,000. Date salary established: February 28, 1920, by Public Law 152 of Sixty-sixth Congress.

Proposed salary: \$16,000.

Incumbents: Charles D. Mahaffie, chairman, District of Columbia; Clyde B. Aitchison, Oregon; Walter M. W. Splawn, Texas; Carroll Miller, Pennsylvania; William E. Lee, Idaho; J. Haden Alldredge, Alabama; Richard F. Mitchell, Iowa; Hugh W. Cross, Illinois; John L. Rogers, Tennessee; William J. Patterson, North Dakota.

Responsibilities: The Commissioners are authorized and required: primarily to execute and enforce the provisions of title 49, of the United States Code as it relates to the transportation of passengers or property in interstate and foreign commerce, by railroads, motor carriers, water carriers, express, sleeping cars, pipe lines (other than for water or gas, natural or artificial) and freight forwarders; is

authorized and required to determine the lawfulness of interstate, and in some cases, State rates, rules and regulations of such carriers; to pass upon applications for certificates of convenience and necessity, permits or licenses to operate as common carriers, contract carriers, or brokers by motor vehicle in interstate or foreign commerce; to pass upon applications for certificates of convenience and necessity or permit to operate as common carriers by water or contract carriers by water; to pass upon applications for permits to operate as freight forwarders; to ascertain and report the value of all property owned or used by every common carrier by rail or pipe line, and to keep such valuations up to date; to authorize security issues; to act upon applications for convenience and necessity to propose construction of a new line of railroad or contemplated abandonment or operation with or without abandonment of the track; to require installation of block signal systems and other safety devices, and to pass on changes therein; to administer the car service sections of the act and the emergency powers relating thereto; all in keeping with national transportation policy, United States Code, title 49. Also to deal with matters arising under section 77 of the Bankruptcy Act; to make regulations for the safe transportation, within the United States, of explosives and other dangerous articles under sections 831-835 of title 18, United States Code, and part II of the Interstate Commerce Act; to administer the Safety Appliance Acts, and the Locomotive Inspection Act, United States Code, title 45; Railway Mail Pay Acts, standard time, and various other miscellaneous and related acts.

The significance of the program outlined above is to carry out the broad transportation policy declared by Congress, United States Code, title 49, note before section 1. In carrying out that policy, the Commission is authorized to divide its members into divisions of not less than three members, as necessary. Certain of the matters have been initially assigned to each of such divisions, subject to review by the entire Commission.

Commissioner Mahaffie is Chairman and is assigned to Divisions 1 and 4, and has direct supervision over the Bureaus of Administration, Finance, and Accounts, and Cost Finding. Member, committees on legislation, and rules and reports. Commissioner Aitchison is assigned to Division 2, generally, and Division 1 for certain purposes, and has direct supervision over the Bureau of Formal Cases, and Sections of Indices, and the Commission's library. Chairman, committee on rules and reports. Commissioner Splawn is assigned to Division 2, and has direct supervision over the Bureau of Transport Economics and Statistics. Chairman, committee on legislation. Commissioner Miller is assigned to Divisions 3 and 4, and has direct supervision over the Bureau of Valuation. Commissioner Lee is assigned to Divisions 1 and 5, and has direct supervision over the Bureaus of Informal Cases and Law. Commissioner Alldredge is assigned to Division 2 and has direct supervision over the Bureau of Traffic. Member, committee on rules and reports. Commissioner Mitchell is assigned to Divisions 1 and 4, and has direct supervision over the Bureau of Inquiry. Commissioner Cross is assigned to Division 2 for certain purposes and Division 3, and has direct supervision over the Bureau of Water Carriers and Freight Forwarders. Commissioner Rogers is assigned to Divisions 2 and 3 for certain purposes, and Division 5, and has direct supervision over the Bureau of Motor Carriers. Member, committee on legislation. Commissioner Patterson is assigned to Divisions 3 and 5, and has direct supervision over the Bureaus of Safety and Locomotive Inspection.

Size of organization:

Number of employees, 2,184.

Estimated annual expenditures for fiscal year 1949, \$11,300,317.

**Position title:** Member, Interstate Commerce Commission. Section of bill: 4.  
**Present salary:** \$12,000. Date salary established: February 28, 1920, by Public Law 152 of Sixty-sixth Congress.  
**Proposed salary:** \$16,000.  
**Incumbent:** J. Monroe Johnson. State: South Carolina.

**Responsibilities:** With the 10 other Commissioners composing the Commission executes and enforces the provisions of the Interstate Commerce Act and related acts, and more particularly, performs the duties allocated to Division 3, of which he is a member. That division hears and decides cases dealing with railroad-operating matters, safety and car service, including the hearing of rate cases alternating in monthly rotation with Division 2, involving rates, fares and charges of railroads, motor carriers, water carriers, and freight forwarders. The division administers the sections of the act relating to pooling of traffic, joint use



of terminals, physical connection between rail lines and docks, routing of traffic, reasonable allowances to shippers, compulsory construction of new railroads, or additional facilities, transportation of explosives and other dangerous articles and formal complaints handled under the shortened procedure. It also administers the car-service sections of the act and the emergency powers of the Commission relating thereto, prescribed by sections 1 (10) to (17), inclusive. The Commissioner likewise sits as a member of the entire Commission in hearing and deciding any case which goes to the entire Commission for final decision. Such cases include rate cases of national scope and magnitude involving many hundreds of millions of dollars, all of the foregoing with the purpose of carrying out the national transportation policy of the Congress.

The Commission's Bureau of Service which deals with car service, as defined in the act, through its Washington office and field force, located at important railroad terminals throughout the United States, reports direct to this Commissioner. The car service provisions affect commerce and industry and the efficient and economical operation of all of the railroads in the Nation. He likewise has assigned to him independently uncontested matters relating to the transportation of explosives and other dangerous articles. Because of this Commissioner's duties as Director of the Office of Defense Transportation since April 1944, and which will not be fully discontinued until June 30, 1949, his duties have been confined principally to the car service provisions of the act. He has however voted with the entire Commission in cases involving tie votes and in cases of national scope.

Size of organization:

Number of employees, 2,184.

Estimated annual expenditures for fiscal year 1949, \$11,300,317.

**Position title: The Attorney General.** Section of bill: 1. Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 624 of Sixty-eighth Congress. Proposed salary: \$25,000. Incumbent: Tom C. Clark. State: Texas.

**Responsibilities:** The Attorney General, a member of the President's Cabinet, is the head of the Department of Justice and the chief law officer of the Federal Government. He is responsible for representing the United States in legal matters generally and advises the President and the heads of executive departments on legal questions. He appears in person in the Supreme Court of the United States in cases of exceptional gravity and importance and directs the work of the Department of Justice through the heads of the offices, divisions, bureaus, and boards of which the Department consists, including the 96 United States district attorneys and the 96 marshals in the various judicial districts of the United States. The work of the Department of Justice, which is under the administration of the Attorney General, consists of the following: The Office of the Solicitor General, the Office of the Assistant to the Attorney General, the Tax Division, the Claims Division, the Lands Division, the Antitrust Division, the Criminal Division, the Office of Alien Property, the Customs Division, the Administrative Division, the Office of the Assistant Solicitor General, the Office of Pardon Attorney, the Federal Bureau of Investigation, the Immigration and Naturalization Service, the Bureau of Prisons, the Board of Parole, the Board of Immigration Appeals.

Size of organization:

Number of employees, 26,773.

Estimated annual expenditures for fiscal year 1949, \$131,081,172.

**Position title: Solicitor General, Department of Justice.** Section of bill: 2 (a). Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress. Proposed salary: \$20,000.

Incumbent: Philip B. Perlman. State: Maryland.

**Responsibilities:** The Solicitor General has special charge of the business of and appears for and represents the Government in the Supreme Court. When requested by the Attorney General he may conduct and argue any case in which the United States is interested, in any court of the United States, or may attend to the interests of the Government in any State court or elsewhere, conferring with and directing the activities of the Federal law officers throughout the country when the case so requires. No appeal is taken by the United States to any appellate court without the Solicitor General's approval. He becomes Acting Attorney General in the absence or inability of the Attorney General to perform his duties.

During the last (1947) term of the Supreme Court, the Government argued in 88 cases, which was 57 percent of all the cases argued. In all of the Government cases the Solicitor General had general supervision of the preparation of the Government's briefs, and approved them before filing. The Solicitor General and his staff personally argued a large number of the cases. The Government was successful in 51 out of 69 cases decided, or in 74 percent. During the term the Supreme Court granted 19 petitions for writs of certiorari filed by the Solicitor General and denied 10. During the term of the petitions for writs of certiorari filed in the Supreme Court against the Government 22 were granted and 283 were denied. In each of these cases the Solicitor General and his staff had supervision over the preparation and filing of briefs.<sup>19</sup> During the last fiscal year, the Solicitor General personally passed upon some 986 matters involving recommendations from different divisions of the Department of Justice, and various departments and agencies of the Government. The Solicitor General authorized 46 applications for writs of certiorari, decided not to file applications in 266 cases, authorized appeals in 226 cases, and decided not to appeal in 361 cases, in addition to authorizing various actions in 87 other instances.

During the last (1947) term of the Supreme Court the Solicitor General's Office was responsible for the conduct of more than 40 percent of all the business of the Supreme Court, in addition to deciding as to appeals and reviews to and from the several circuit courts of appeals throughout the country.

Size of organization:

Number of employees, 22.

Estimated annual expenditures for fiscal year 1949, \$127,670.

**Position title:** The assistant to the Attorney General. Section of bill: 2 (a).

Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$20,000.

Incumbent: Peyton Ford. State: Oklahoma.

Responsibilities: The assistant to the Attorney General, under the Attorney General, has supervision over all major units of organization of the Department, and over United States attorneys and marshals. He is also chief liaison officer of the Department of Justice with the Congress and with other governmental departments and agencies.

The assistant to the Attorney General has direction of all personnel and general administration of the Department and coordinates the functions of the various divisions, offices, and bureaus of the Department. He has charge of all reports and recommendations to the Congress with respect to pending legislation in response to request of congressional committees and other agencies, and prepares recommendations as to the approval of enrolled bills. During the absence or inability of both the Attorney General and Solicitor General he becomes Acting Attorney General.

As general manager of the Department of Justice the assistant to the Attorney General exercises final direction of all appointments, promotions, and other personnel changes. In this capacity, he also coordinates for the Attorney General the activities of the legal divisions of the Department heretofore enumerated, as well as the 96 United States attorneys and 96 United States marshals, with their staffs. Under the direction of the Attorney General, he supervises the work of the Department in connection with the recommendations made to the President as to the appointment of judges, United States attorneys, United States marshals, and other presidential appointees relating to the legal work of the Government.

As chief liaison officer with respect to legislation, he coordinates the reports and recommendations of the Department with the work of congressional committees, as well as the work of the Bureau of the Budget, and the other agencies of the Government.

Size of organization:

Number of employees, 42.

Estimated annual expenditures for fiscal year 1949, \$181,930.

<sup>19</sup> The records indicate 66 of the Government's petitions were granted and only 7 percent of those against the Government.



**Position title: Assistant Solicitor General.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: George T. Washington. State: New York.

**Responsibilities:** The Assistant Solicitor General, as the Attorney General's chief adviser on matters of law, holds one of the most responsible and difficult posts in the Department of Justice. He is appointed by the President with the advice and consent of the Senate, and by law receives the same compensation as the Assistant Attorneys General (5 U. S. C. 293a). The Assistant Solicitor General reports directly to the Attorney General. His staff of attorneys constitutes a separate office in the Department, distinct from that of the Solicitor General and having entirely different functions.

The Assistant Solicitor General prepares for the Attorney General formal legal opinions to the President, the heads of the executive departments, and the Veterans' Administration; he also gives informal opinions and legal advice on a continuous basis to the various agencies and instrumentalities of the executive branch, as well as advising the other divisions and offices of the Department of Justice on any questions of law requiring special consideration. The scope of the opinions rendered is as broad as the legal problems which arise in the administration of the executive branch of the Government, and usually relate to matters of special importance and difficulty.

The Assistant Solicitor General also reviews as to form and legality, and makes necessary revisions of, all proposed Executive orders and proclamations of the President prior to their final submission to the President; all proposed regulations which require the approval of the President or of the Attorney General; all land orders of the Secretary of the Interior; and all instruments making disposition of land under the Federal Airport Act. He reports on pending legislation, particularly with regard to constitutionality and effect on governmental structure, and assists in the drafting of important legislation sponsored by the President or the Attorney General. He also supervises all legal work connected with the receipt of gifts and bequests by the Government of the United States. The Assistant Solicitor General also handles nearly all international matters in which the Department of Justice is interested, and is consulted by the Department of State on a day-to-day basis concerning questions of international and domestic law arising in connection with the United Nations and other international organizations. The Assistant Solicitor General is by designation the legal adviser to the United States delegation to the Economic and Social Council of the United Nations. He also represents Federal agencies in the coordination of Federal-State relations in the field of law, to the end that matters which may best be disposed of by State action are handled by the States rather than by the Federal Government.

Aside from matters on general assignment to him, the Assistant Solicitor General handles numerous important miscellaneous special assignments made by the Attorney General involving the many complicated and diverse legal and policy problems with which that officer is faced.

The Assistant Solicitor General must personally review each matter presented to his office, and must assume full responsibility for each decision made. He must be familiar with the Federal statutes, old and new, as well as with the regulations and orders of the departments and agencies. He must be ready to advise with expedition and accuracy on questions of importance arising in every branch of the Government, and must endeavor to establish uniformity in legal policy and administrative standards throughout the executive branch. The work is semi-judicial in nature and involves a high degree of responsibility. The rulings made by the Assistant Solicitor General are regarded as final by the departments and agencies and by the other attorneys and officials of the Department of Justice, subject, of course, to appeal to the Attorney General. No instance is known in which a ruling of the Assistant Solicitor General has been reversed by the Attorney General or overturned by the courts in litigation.

In addition, the Assistant Solicitor General is frequently called upon by the Solicitor General to prepare and argue cases in the Supreme Court. In the absence of the Solicitor General, or in the case of a vacancy in that office, the Assistant Solicitor General also acts as the Solicitor General of the United States.

**Size of organization:**

Number of employees, 29.

Estimated annual expenditures for fiscal year 1949, \$162,370.

**Position title: Assistant Attorney General, Tax Division.** Section of bill: 5 (a). Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Theron L. Caudle. State: North Carolina.

Responsibilities: Heads the Tax Division and has charge of the prosecution and defense in all courts of civil suits arising out of the internal revenue laws including appellate proceedings in connection therewith, briefs and arguments in the Federal circuit courts of appeals of petitions to review decisions of The Tax Court of the United States and appellate proceedings in the Supreme Court of the United States upon assignment by and under the supervision of the Solicitor General of the United States. Also has charge of criminal prosecutions of violations of the internal revenue laws except criminal prosecutions arising out of the liquor tax laws; the enforcement of tax liens, the conduct of mandamus, injunctions, and other specific writs and all general matters relating to taxes including jurisdiction over questions of intergovernmental tax immunity. Also has charge of special assignments by the Attorney General.

The Assistant Attorney General supervises a staff of 162 employees including 93 attorneys, in the discharge of the functions of the Tax Division, and is finally responsible for all of the work done by them in court. In fact, everything that is done to further the progress of litigation of either civil or criminal tax cases, devolves upon the Assistant Attorney General. All briefs, pleadings, stipulations, and correspondence are signed in his name. All of the decisions affecting civil compromises are approved by him personally and he assumes the responsibility for such action.

All criminal tax cases wherein it is recommended that prosecution be had must be personally passed upon by him and it devolves upon him to guide and to supervise, as well as assume the full responsibility for any decision and recommendation of, his staff as to whether prosecutions are to be made, depending upon the facts in a given case. The taxpayer and his attorneys have the right to appeal to the Assistant Attorney General for a final hearing as if it were the last court before grand jury consideration. Such conferences go on all the time.

The Tax Division is a litigative division. It has no administrative responsibilities; it confines itself to the actual preparation and trial of all tax litigation, whether in a trial court or in an appellate court. It is the responsibility of the Assistant Attorney General personally to see that sufficient funds are provided annually to carry on the work of the Tax Division from year to year and he must justify his estimates before the Bureau of the Budget and committees of Congress. The Tax Division annually produces or saves approximately \$24,000,000 per year in revenue and during the last 5 years it has put into the Treasury approximately \$120,000,000.

Size of organization:

Number of employees, 162.

Estimated annual expenditures for fiscal year 1949, \$910,000.

**Position title: Assistant Attorney General, Criminal Division.** Section of bill: 5 (a).

Present salary: \$10,305. Date salary established: July 11, 1948. By Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Alexander M. Campbell. State: Indiana.

Responsibilities: The Assistant Attorney General of the United States in charge of the Criminal Division of the Department of Justice has supervision of all of the Federal criminal cases in the United States and its possessions. The work entails constant supervision, direction, and conferring with the United States attorneys in the many Federal judicial districts regarding said criminal matters, including FBI investigations, grand jury investigations, and presentations and supervision of the trial of said criminal cases in court.

The office of the Criminal Division coordinates on a national plane all matters of policy outlined, designated, and directed by the Attorney General with respect to criminal prosecutions and investigations.

An example of such coordinating activity is the various policies with respect to the administration from a criminal legal viewpoint of the selective service and training act, and particularly with respect to the many and varied types of conscientious objectors and the treatment of their cases by United States attorneys.



It entails the organization on a national plane of programs for the prosecution of certain types of cases, which include export-control cases (meaning the illegal export of arms, munitions, airplanes, and implements of war with respect to attempted aid to foreign countries in an illegal manner).

The Criminal Division has vigorously and actively and directly supervised and coordinated grand-jury investigations and prosecutions by United States attorneys in the now all-important and vital field of subversive activities. The work along these lines includes the direction of investigations, grand-jury presentations, and prosecutions in Federal court of cases involving former Government employees who are members of the Communist Party.

The head of the Criminal Division is supervising grand-jury presentations and prosecutions of such Communist cases in New York, Pennsylvania, District of Columbia, Louisiana, Ohio, Illinois, Colorado, California, and elsewhere throughout the country.

The Criminal Division supervises prosecution of the 12 top Communists in New York and is now correlating similar investigations which are alleged violations of the Smith Act in other parts of the United States.

Cases involving espionage, such as the instant Judith Coplon and Gubitchev espionage case in New York and Washington, are under the immediate supervision of the Assistant Attorney General in charge of the Criminal Division.

The treason cases which have been investigated and tried and are being investigated in Massachusetts, New York, District of Columbia, and California, involving such defendants as Mildred Gillars, alias Axis Sally, Iva Ikoku Toguri D'Aquino, alias Tokyo Rose, Herbert John Burgman, Douglas Chandler, and Robert Best, and others. In the process of investigation and grand-jury presentation of these cases, the work comes under the direct supervision of the Assistant Attorney General.

The Criminal Division supervises such grand-jury investigations as the present espionage and subversive activity investigating through the grand jury sitting in the Federal court in New York City, which returned an indictment against Alger Hiss and which is currently investigating the Hiss-Chambers-Bentley, etc., espionage and alleged subversive evidence.

The Criminal Division of the Department of Justice supervises currently between 60,000 and 70,000 criminal cases in the United States and its possessions.

Size of organization:

Number of employees: 158.

Estimated annual expenditures for fiscal year 1949: \$785,000.

**Position title:** Assistant Attorney General, Claims Division. Section of bill: 5 (a).

**Present salary:** \$10,305. **Date salary established:** July 11, 1948, by Public Law 900 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** H. Graham Morison. **State:** Virginia.

**Responsibilities:** Has charge of all civil suits and claims for and against the Government or its officers not otherwise specially assigned, patent and copyright cases, cases arising out of war transactions including civil war frauds matters, civil bankruptcy matters, civil proceedings, under the National Bank Act, admiralty and shipping matters, veterans' claims and litigation including all suits under national service life insurance contracts, defending all suits under the Federal Tort Claims Act and all contract termination and renegotiation cases. Has charge of civil matters arising out of military control measures over the civil population of the United States and its Territorial possessions, habeas corpus matters and other civil litigation relating to alien enemies. Also defends all suits against the Government in the Court of Claims and has charge of preparation of briefs and arguments in the Supreme Court on assignment by the Solicitor General, and of special assignments by the Attorney General.

The Assistant Attorney General, in carrying out his responsibility as head of the Division, must consider and act upon all offers in compromise generally not in excess of \$50,000 in the name of the Attorney General. He must make decisions prior to and during the conduct of matters in litigation as to the legal position of the Government, both on the pleadings and oral argument. In important cases of national interest he is required to personally appear in court and litigate on behalf of the United States both in the Court of Claims, the district Federal courts, the appellate courts, and Supreme Court of the United States. The Assistant Attorney General, in addition, must handle in the first instance the

administrative problems of the Division, including the efficiency of his staff, the procurement of qualified personnel, and the expenditure of the funds appropriated to the Division by the Congress.

Size of organization:

Number of employees: 326.

Estimated annual expenditures for fiscal year 1949: \$1,671,000.

**Position title:** Assistant Attorney General; Director, Office of Alien Property

Section of bill: 5 (a).

**Present salary:** \$10,000. Date salary established July 1, 1948, by Public Law 597 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** David L. Bazelon. State: Illinois.

**Responsibilities:** As Assistant Attorney General and Director of the Office of Alien Property, exercises the functions of the Attorney General in controlling foreign-owned property and in vesting enemy property in the United States. Once vested, the enemy property is held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States. To date, vested business enterprises and other properties are valued at approximately \$482,000,000 of which \$348,900,000 represents the Government's net equity interest. Included in that amount, 88 business enterprises are being supervised with assets exceeding \$224,000,000, employing approximately 15,000 persons, performing a wide variety of activities, manufacturing and selling dyestuff, film, chemicals, pharmaceuticals, machinery, and petroleum products. Also over 45,000 patents, 500,000 copyrights, 500 trademarks and interests in over 800 patent contracts have been vested. The Director supervises the administration of all of these activities and establishes Government policies with respect to liquidation and disposal of these properties. In the patent field, the Office has adopted the policy of making the vested patents available to American citizens on a nonexclusive, royalty-free basis, because it is believed that the public interest is best served by the retention and control by the Government of the monopoly privileges involved. In supervising the business enterprises vested, the operating and policy questions which affect the public interest are determined by the Director, Office of Alien Property.

The Office directs the foreign funds program under which foreign property was blocked before and during the war to protect assets of occupied countries so as to assure their availability for postwar reconstruction of those countries. As a part of the Government's program for liquidation of the over-all wartime controls, properties are presently being unblocked under arrangements assisting the Marshall plan countries to secure the benefit of these assets for reconstruction. Blocked property is estimated to be valued at \$300,000,000.

The Director, Office of Alien Property, is also responsible for all litigation in which property vested is concerned. The payment of debt claims, title claims, and taxes out of vested property is authorized under specific statutory conditions. Over 42,000 administrative claims have been filed either for the return of property or asserting debts against the former enemy owners to be satisfied out of the proceeds of that property.

Size of organization:

Number of employees, 851.

Estimated annual expenditures for fiscal year 1949, \$4,300,000.

**Position title:** Assistant Attorney General, Customs Division. Section of bill: 5 (a).

**Present salary:** \$10,305. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** David N. Edelstein. State: New York.

**Responsibilities:** Has charge of protecting the interests of the Government in matters of reappraisal and classification of imported goods, and all litigation incident thereto. Also has charge of briefs and arguments in the Supreme Court on assignment by the Solicitor General, and of matters specially assigned to him by the Attorney General.

The Assistant Attorney General in charge of this Division is a Presidential appointee. He directs and supervises a staff of lawyers and clerks who are technicians in a specialized field of law, namely customs litigation. He assumes the responsibility of the staff carrying out their required duties under the law and in protecting the interests of the United States. His is a great responsibility



inasmuch as revenues running into hundreds of millions of dollars are involved in these lawsuits and the operations of his office result in saving many millions of dollars to the Treasury of the United States each year.

Size of organization:

Number of employees, 33.

Estimated annual expenditures for fiscal year 1949, \$197,000.

**Position title:** Assistant Attorney General, Antitrust Division. Section of bill: 5 (a).

**Present salary:** \$10,330. **Date salary established:** July 11, 1948, by Public Law 900 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** Herbert A. Bergson. **State:** Massachusetts.

**Responsibilities:** The Assistant Attorney General for the Antitrust Division is charged with the enforcement of the antitrust laws and 30 other kindred acts. In addition to the administrative direction of the Division, he is primarily responsible for making and carrying out all policies relative to effective enforcement of these laws. As the Division head, he initiates and recommends to the Attorney General the instituting of all investigations and the criminal and civil cases resulting therefrom.

At the present time the Division carries on its activities through its 8 sections in the Washington office and the 12 field offices located throughout the country. As of May 1, 1949, there were under his supervision 354 attorneys and economists in addition to 292 nonprofessional, or a total of 646 employees. The Assistant Attorney General assigns all investigations and cases to the Division's sections and field offices. On May 1, 1949, there were 217 active antitrust investigations, 89 civil antitrust cases, and 33 criminal antitrust cases on the docket, exclusive of numerous kindred law cases. The Assistant Attorney General defines the scope of these investigations and determines the appropriate procedures to be followed by the staff.

The Assistant Attorney General argues antitrust cases in the courts of appeal, particularly if the case is of national importance. From time to time and at the request of the Solicitor General he argues antitrust cases before the Supreme Court, because of his familiarity with the law and facts and its significance in the national economy.

The position the Assistant Attorney General occupies has a direct relation to the national economy since the primary purpose of the antitrust laws is to protect the free competitive enterprise system of this Nation from monopolies, combinations, or conspiracies in restraint of trade or commerce among the several States.

Antitrust enforcement is the only bulwark in the country today against concentration of economic power in this country, which constantly threatens the continued existence of small business. The law is an expression of the people for free enterprise which every individual gains from the enormous social advantages due to the skill and initiative of their fellow man.

Size of organization:

Number of employees, 658.

Estimated annual expenditures for fiscal year 1949, \$3,571,700.

**Position title:** Assistant Attorney General, Lands Division. Section of bill: 5 (a).

**Present salary:** \$10,330. **Date salary established:** July 11, 1948, by Public Law 900 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** A. Devitt Vanech. **State:** Connecticut.

**Responsibilities:** The Assistant Attorney General in charge of the Lands Division is responsible for and supervises the handling of litigation and legal matters arising in connection with the acquisition of real property (by condemnation or direct purchase) and the ownership, possession, or use of real property, including the public domain, housing, and water rights. He also supervises and participates in the conduct of litigation relating to Indian affairs, including the protection of Indians in their rights and property, acts as counsel for the Government in defense of claims filed in the Court of Claims by Indians under special jurisdictional acts, and represents the Government in claims filed against the United States before the Indian Claims Commission. He also is responsible for the enforcement of statutes regulating the use of public domain, the national forests, and other Federal lands, the interpretation and cancellation of land grants and patents, trespasses and evictions, the recovery of rents and royalties, the adjudication of water rights and the interpretation of irrigation and reclamation laws,

the defense of actions against Government officers and of actions against the United States under the Tucker Act and the Tort Claims Act relating to real property, and the handling of litigation involving conservation of natural resources, including oil, gas, and other minerals.

Litigation involving the above matters is extremely complicated and involves very large amounts of money. Each year titles to properties valued at many millions of dollars are acquired and claims amounting to over \$5,000,000,000 are now pending before the Indian Claims Commission. Condemnation proceedings and other litigation are pending throughout the entire United States, its Territories and possessions. The handling of this great amount of legal work requires the supervision of a force of professional and clerical personnel (approximately 450 persons) in the field as well as at the seat of government, and the work is channeled through four sections, each headed by a chief located at Washington. In carrying out his responsibilities it is necessary for the Assistant Attorney General to determine major questions of policy involving law, practice and procedure, and the public welfare, and, in many instances, it is necessary for him to prepare and present to the interested committees of Congress legislation touching upon these matters. In addition, he personally acts upon and assumes full responsibility for the acceptance or rejection of compromise offers within certain limitations fixed by the Attorney General, and as to other such matters he recommends acceptance or rejection to the Attorney General. He also prepares memoranda and opinions of the Attorney General upon the effect, legality, and form of proposed executive orders and legislation involving matters within the purview of the work of the division and upon questions as to which the legal opinion of the Attorney General has been requested by the President or the head of an executive department. In addition, he prepares and argues cases before the Supreme Court of the United States upon assignment of the Solicitor General and appears before the courts of appeals in unusual or complex cases; he makes recommendations to the Solicitor General for or against appeals and as to petitions for certiorari to the Supreme Court.

Size of organization:

Number of employees, 438.

Estimated annual expenditures for fiscal year 1949, \$2,600,000.

**Position title:** Director, Federal Bureau of Investigation. Section of bill: 5 (a). Present salary: \$14,000. Date salary established: July 1, 1948, by Public Law 597 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** J. Edgar Hoover. State: District of Columbia.

**Responsibilities:** I. How the Director administers the bureau in carrying out its responsibilities: The Director personally has organized the FBI's seat-of-government offices into seven divisions with a chief of each division. Each division in turn is organized into sections and subordinate units when necessary. The Director is in personal contact with the chiefs of these divisions frequently and regularly; gives close personal attention to the performances of each of these divisions and passes on all matters of policy, all suggestions, all general procedural requirements and all programs of planning. Through regular and frequent consultation with the division chiefs and at times their subordinates, through the personal examination of the major items of production of each division, he is able to keep in touch with the efficiency and economy of their operations and to make changes, improvements, and modifications as circumstances require. He is assisted in these duties by an associate director who reviews and makes recommendations as to matters of policy but even these recommendations are passed on personally by the Director of the Federal Bureau of Investigation.

The field organization of the FBI consists of 51 territorial divisions with an office located in each division. There is a special agent in charge of each office. Matters of major importance are communicated directly to the Director and he is thus able to keep in touch with these matters of major importance and major developments as they occur. He is able also to give personal direction to major cases and procedures in the field, although naturally, due to the volume of work, routine and the normal flow of work is first processed and supervised in the respective divisions responsible therefor. The Director, at least annually, is in personal conference with each special agent in charge and with many of the special agents from these various offices, and he is thus able to identify their major problems, to counsel, advise, and direct the programs and make modifications of procedure being employed.

Through a system of inspections, carefully selected personnel of the most experienced type are designated as inspectors and they conduct personal inspec-



tions both of the field offices and of the seat of government divisions and during such inspections they are acting as personal representatives of the Director. Their reports, in turn, are forwarded to the Director. The inspection of each of these seat of government and field establishments embraces every phase of operations, including physical condition, maintenance, property, inventory, operations, administration, personnel, economy, training, planning, and general functionings of these establishments. Through this relationship there is provided to the director personally a second method of contact and supervision of the entire operations of the Federal Bureau of Investigation.

Of course, within prescribed policies, the special agents in charge in the field and the seat of government division chiefs operate with considerable latitude. Modifications of these policies, however, are first approved by the Director when exigencies require. Any changes of policy are also approved personally by the Director himself.

Through a system established personally by the Director of the Federal Bureau of Investigation, there is a careful selection of personnel who, after selection, are each adequately trained and then through the procedure of organization they are supervised and directed through organizational processes.

II. How the Director's responsibilities and duties relate to the national security, economy, or health: Law enforcement is a security program. The internal security duties of the Federal Bureau of Investigation also are of primary importance in the work of the FBI. Cooperation is obtained through a program of coordination with all of the police forces of the Nation at State, county, and local levels. Relations and cooperative services have been established over a period of years. The FBI offers services to the local, county, and State police in fingerprint identification, in technical laboratory services, in uniform crime reporting and crime statistics work, in police training, and in numerous other similar ways. The police of all levels, in turn, offer assistance to the special agents of the FBI in their work. The director initiated as an outgrowth of the FBI training program, the FBI National Academy to help train police instructors and police executives. Similarly, there are hundreds of schools conducted annually with the assistance of the FBI, all of which raise the standard of police performance in both the enforcement of criminal laws and the handling of national defense, internal security, and related matters, including espionage, sabotage, and subversiveness.

The Presidential directive of September 6, 1939, specifically designates the Federal Bureau of Investigation as the coordinator of internal security matters. The program of law enforcement conferences, activating this directive, has resulted in a broad national pattern of friendly cooperation on a voluntary basis to insure the country maximum protection against subversiveness, spies, saboteurs, and similar enemies of the Nation and at the same time through personal contacts and training the enforcement of the criminal laws has been improved, giving added protection on a national basis to the citizenry.

Since crime is an enormously expensive problem, estimated in its total costs in the billions of dollars annually, the consequence of improved security naturally results in savings and affects the national economy. Improved law enforcement and improved work by the police in national security in cooperation with the FBI has also given added confidence to the citizens in their security as a Nation, which, as a consequence, affects the national security.

The responsibilities placed on the FBI by either congressional action or Executive order, or both, give added security in connection with the atomic-energy projects, the Selective Service Act enforcement, the loyalty of Government employees, and the qualifications of certain governmental personnel in key positions who are investigated prior to appointment by the FBI. The latter groups include judges, United States district attorneys, marshals, and key Government officials when inquiries are requested by competent authority.

As a result of the responsibilities and duties performed by the Federal Bureau of Investigation under the personal direction of the Director of the FBI, there is supervision or coordination of the activities and the results of such activities of not only the staff of the FBI but of over 100,000 law-enforcement officers brought within the voluntary program of cooperation and coordination in keeping with the Presidential directive.

The FBI also maintains the closest liaison with the intelligence agencies of the military services, both foreign and domestic, which also relates to the national pattern of security, and the Director personally is a member of the Interdepartmental Intelligence Conference.

Size of organization:

Number of employees, 9,664.

Estimated annual expenditures for fiscal year 1949, \$47,461,800.



**Position title:** Commissioner, Immigration and Naturalization Service. Section of bill: 5 (a).

Present salary: \$10,330. Date of salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Watson B. Miller. State: Maryland.

**Responsibilities:** The Commissioner, under the direction of the Attorney General, supervises and directs the administration of the Immigration and Naturalization Service, which agency is responsible for the enforcement of the immigration, nationality and alien registration laws. These laws require generally (1) the inspection of all persons applying for admission or reentry to the United States to determine admissibility; (2) the prevention of the entry of persons not entitled under these laws to enter the United States; (3) the investigation, determination of status and expulsion of aliens unlawfully in the United States; (4) the maintenance of records of aliens who are in or enter the United States; and (5) the supervision of administrative processes and preliminary determination for the courts concerning persons applying for naturalization as citizens of the United States.

In the execution of his duties and responsibilities, the Commissioner is assisted by an official staff as follows: (1) a Deputy Commissioner who assists the Commissioner generally and acts for him in his absence; (2) an Assistant Commissioner, Enforcement Division, who supervises all enforcement work of the field including inspection, examination, investigation, patrol of the border, arrest, custody and deportation of aliens; (3) an Assistant Commissioner, Adjudications Division, who directs the quasi-judicial functions of the Service arising out of determinations of alien or citizenship status, exclusion and expulsion of aliens unlawfully in the United States; (4) an Assistant Commissioner, Administrative Division, who supervises the management functions of the Service including budget and fiscal matters, personnel administration and the procurement of services and supplies; and (5) an Assistant Commissioner, Research and Education Division, who supervises the citizenship educational programs and the general statistical work of the Service. The Commissioner is also assisted by a general counsel who renders legal advice to the Commissioner and other officers of the Service.

The foregoing functions include the direction of all field activities of the 16 field districts throughout the continental United States, Alaska, Hawaii, Puerto Rico and the Virgin Islands. Offices and stations are located in approximately 450 places in this area to accommodate border and seaport travel of approximately 80,000,000 persons annually seeking entry or reentry into the United States, and the apprehension and removal of approximately 250,000 aliens who have violated immigration laws. The Service personnel consists of approximately 7,000 employees and the appropriation to the Service runs approximately \$30,000,000 annually.

The Commissioner personally determines policy matters for the Service arising out of operating needs or directives received from the Attorney General; reviews appeals and determines matters involving difficulty; maintains liaison with the Attorney General, officials of the Department and other Government, public and private agencies; appears before congressional committees and maintains personal contact with Members of the Congress on matters of mutual interest, and with the general public and consultation with persons or their legal representatives.

The national security and welfare of the Government and the people of the United States are dependent in a very great measure upon the efficient and effective execution of the duties and responsibilities of the Commissioner of the Immigration and Naturalization Service.

Size of organization:

Number of employees, 7,057.

Estimated annual expenditures for fiscal year 1949, \$30,657,900.

**Position title:** Director, Bureau of Prisons. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: James V. Bennett. State: Maryland.

**Responsibilities:** The Director of the Bureau of Prisons has administrative responsibility for the operation of the Federal Prison System which certainly is the largest integrated prison system in this country and probably in the world. He is responsible for the control and management of twenty-six institutions of various types, housing approximately 17,000 prisoners convicted of offenses

against the United States. The Government has a capital investment in these institutions and their facilities of a value conservatively estimated at over \$100,-000,000.

In addition to prisoners confined in Federal institutions there are approximately 3,000 Federal prisoners confined in State, city, and county institutions under contracts executed by the Director for their care and custody. Contracts are entered into with only such of these institutions as meet Federal standards. The Director must not only be an outstanding expert in the field of penology but in order to properly administer the activities of the system must have technical knowledge in many fields, such as agriculture, operation of power plants, construction of buildings, road building, and the many varied activities necessary in the housing, subsistence, and training of inmates. In connection with these operations the Director must supervise over 4,000 civilian employees, many of whom are highly skilled technicians in their various fields.

The Director of the Bureau of Prisons is also ex-officio Commissioner of Industries and is directly responsible to the Board of Directors of Federal Prison Industries, Inc., a Government corporation which operates more than 40 industries in the various institutions, giving employment and training to about 3,500 inmates with a civilian staff of approximately 500. These industries produce articles for sale to other Government agencies of a gross value of approximately \$18,000,000 per year. A wide variety of articles is manufactured, such as mail bags, textiles, shoes, clothing, brushes, metal shelving and specialties, to name only a few. These industries operate at a net profit to the Government of approximately \$3,000,000 per year. The Director must have an intimate knowledge of the production problems in these various industries. In order to successfully administer the Bureau of Prisons and the related industrial and training activities the Director must have experience and technical knowledge in probably as wide a field as is required of any administrative officer of the Government.

Size of organization:

Number of employees, 4,476.

Estimated annual expenditures for fiscal year 1949, \$23,430,372.

**Position title: Secretary of Labor.** Section of bill: 1.

Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 1301 of Sixty-eighth Congress (43 Stat.).

Proposed salary: \$25,000.

Incumbent: Maurice J. Tobin. State: Massachusetts.

The Secretary of Labor is responsible for administering the basic act establishing the Department of Labor which is for the purpose of fostering, promoting, and developing the welfare of the wage earners of the United States, improving their working conditions and advancing their opportunities for profitable employment. Examples of other legislation administered within the Department are the Fair Labor Standards Act, Walsh-Healey Act, Davis-Bacon Act, Copeland Act, and Veterans' Recmployment Rights statutes.

The Secretary as a member of the President's Cabinet is the official to whom the President and Congress look for the development of national and international labor policy and programs.

At the present time there are included within the framework of the Department of Labor the Bureau of Apprenticeship, the Bureau of Labor Standards, the Bureau of Labor Statistics, the Bureau of Veterans' Recmployment Rights, the Wage and Hour Division, the Women's Bureau, and the Office of International Labor Affairs.

Size of organization:

Number of employees, 3,304 plus an average of 155 intermittent.

Estimated annual expenditures for fiscal year 1949, \$15,263,550.

**Position title: Under Secretary of Labor.** Section of bill: 2 (a).

Present salary: \$10,000.<sup>20</sup> Date salary established: April 17, 1946, by Public Law 346 of Seventy-ninth Congress.

Proposed salary: \$20,000.

Incumbent: Michael J. Galvin. State: Massachusetts.

Responsibilities: Within the scope of policies and instructions issued by the Secretary, he is charged with full administrative responsibility for directing the organization and activities of the several bureaus, divisions, offices, and services of the Department to the end that the policies and programs of which they have

<sup>20</sup> Rate increased to \$10,330 by Public Law 900, 80th Cong., effective July 11, 1948.



charge shall be coordinated and executed efficiently without duplication or overlapping.

Size of organization:

Number of employees, 3,304 plus an average of 155 intermittent.

Estimated annual expenditures for fiscal year 1949, \$15,263,550.

**Position title: Assistant Secretary of Labor.** Section of bill: 5 (a).

Present salary: \$10,000.<sup>20</sup> Date salary established: April 17, 1946, by Public Law 346 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbent: Ralph Wright. State: New York.

Responsibilities: The Assistant Secretary acts in a liaison capacity for assigned bureaus and functions on matters of concern to the Secretary. This involves responsibility for proper relationship of the bureaus' programs with each other and the Department's relationship with other agencies of Government. Also handles matters of major importance by special assignment from the Secretary which may concern labor, management, Government, State, educational, municipal, and other groups.

Size of organization:

Number of employees, 3,304 plus an average of 155 intermittent.

Estimated annual expenditures for fiscal year 1949, \$15,263,550.

**Position title: Assistant Secretary of Labor.** Section of bill: 5 (a).

Present salary: \$10,000.<sup>20</sup> Date salary established: April 17, 1946, by Public Law 346 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbent: John W. Gibson. State: Michigan.

Responsibilities: The Assistant Secretary acts in a liaison capacity for assigned bureaus and functions on matters of concern to the Secretary. This involves responsibility for proper relationship of the bureaus' programs with each other and the Department's relationship with other agencies of Government. Also handles matters of major importance by special assignment from the Secretary which may concern labor, management, Government, State, educational, municipal, and other groups.

Size of organization:

Number of employees, 3,304 plus an average of 155 intermittent.

Estimated annual expenditures for fiscal year 1949, \$15,263,550.

**Position title: Assistant Secretary of Labor.** Section of bill: 5 (a).

Present salary: \$10,000.<sup>20</sup> Date salary established: April 17, 1946, by Public Law 346 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbent: Vacancy.

Responsibilities: One Assistant Secretary is responsible for developing, directing, supervising, and coordinating all of the activities of all organizational units of the Department in the field of international labor activities. The Department of Labor is held responsible for the development and coordination of the Federal Government's international labor policy and programs.

Size of organization:

Number of employees, 3,304 plus an average of 155 intermittent.

Estimated annual expenditures for fiscal year 1949, \$15,263,550.

**Position title: Librarian of Congress.** Section of bill: 3 (c).

Present salary: \$10,330. Date salary established: March 6, 1928, by Public Law 97 of Seventieth Congress.<sup>21</sup>

Proposed salary: \$17,500.

Incumbent: Luther H. Evans. State: Texas.

Responsibilities: The Librarian of Congress is appointed by the President, by and with the advice and consent of the Senate and gives bond to the United States in the sum of \$20,000. He directs the Library of Congress; makes rules and regulations for its government; selects and appoints all officers and employees of the Library, including the Register of Copyrights; makes an annual report to Congress; and is ex officio a member of the Library of Congress Trust Fund Board, and of the National Archives Council.

<sup>20</sup> Rate increased to \$10,330 by Public Law 900, 80th Cong., effective July 11, 1948.

<sup>21</sup> At \$10,000, increased to \$10,330 by Public Law 900, 80th Cong.



The Library of Congress, in addition to the primary function indicated by its name, is the principal library of the Federal Government and of the United States. It has collections approximating 27,000,000 pieces, and is organized in 40 divisions in 5 departments, in addition to a number of special projects. These include the Legislative Reference Service (124 persons, performing research and analysis work exclusively for Members and committees of Congress), the Copyright Office (229 persons, which as a self-sustaining activity handles 238 copyright registrations and more than half a million dollars in fees per annum); the Manuscripts Division (which holds the papers of most of the Presidents from Washington to Coolidge, in addition to other principal historical sources for United States history). It has principal collections of Chinese, Japanese, Russian, and rare books, maps, music, prints, and many other categories of materials. Through its national union catalog and interlibrary loan system it serves as a national clearinghouse for published research materials and supplements local resources throughout the United States; and through its technical divisions (especially the Card Division, 153 persons) it provides largely self-sustaining central cataloging and bibliographic services to the libraries of the country (22,000,000 catalog cards sold in 1948). It provides a national library service for the blind through 26 regional libraries under a special annual authorized appropriation of over \$1,000,000. Through private endowments it has funds for the promotion of chamber music, not only in Washington but throughout the country, and for the prosecution of activities in behalf of researches in American history. As the agency of the Federal Government for conducting international exchanges under the Brussels conventions it is in contact with institutions in most foreign countries.

**Size of organization:**

Number of employees, 1,874 (1,601 on annual appropriations, 273 on other funds).

Estimated annual expenditures for fiscal year 1949, \$9,839,346 (\$8,439,346 annual appropriations, \$1,400,000 other funds).

**Position title:** Chief Assistant Librarian of Congress. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established, July 3, 1948, by Public Law 900 of Eightieth Congress.<sup>22</sup>

Proposed salary: \$15,000.

Incumbent: Verner W. Clapp. State: Maryland.

**Responsibilities:** The Chief Assistant Librarian assists the Librarian of Congress in the general administration of the Library, serving for this purpose as his deputy in all matters including the oversight of the Library's 40 divisions and numerous special projects, the special service to Congress, and the general service to the Federal agencies and to the public, as well as relations with libraries in the United States and foreign countries.

**Size of organization:**

Number of employees, 1,874 (1,601 on annual appropriations, 273 on other funds).

Estimated annual expenditures for fiscal year 1949, \$9,839,346 (\$8,439,346 annual appropriations; \$1,400,000 other funds).

**Position title:** Chairman, United States Maritime Commission. Section of bill: 4.

Present salary: \$12,000. Date salary established: June 29, 1936, by Public Law 835 of Seventy-fourth Congress.

Proposed salary: \$16,000.

Incumbent: Vacant.

**Responsibilities:** The United States Maritime Commission is an independent executive agency created by the Merchant Marine Act, 1936, comprised of five members appointed by the President, with the advice and consent of the Senate. The Chairman is designated by the President and functions as the presiding official of meetings, but all authority exercised by the Commission rests in the Commission acting as a single body, hence the authority and responsibility of each member of the Commission is equal. As one of five Commission members nominated by the President and approved by the Senate, the Chairman, with other members, is responsible to the Congress and the President under a declaration of merchant marine policy and discretionary standards prescribed by the Congress, for deliberative exercise of judgment and impartial determination in

<sup>22</sup> Position allocated at P-8 by Civil Service Commission September 4, 1944, in accordance with Classification Act of 1923 as amended.

the public interest in respect of controversial policy issues, the wise selection of courses within a wide range of choice, and the approval or disapproval of applications, complaints, and recommendations in the administration, execution, and enforcement of the merchant-marine and shipping statutes affecting directly a private industry with investments of more than a billion dollars, and employing thousands of persons, and indirectly affecting virtually the entire economy of the United States, important matters of foreign and domestic policy and relations, the whole national public interest, and the national defense.

These laws vest in the Commission, in addition to the quasi-judicial and legislative function of regulating carriers in oceangoing water transportation, the administration of direct subsidies and other aids to the development and maintenance of the merchant marine, the construction of essential ships and the provisions for shipping services needed to serve the requirements of the domestic and foreign water-borne commerce and the national defense, the development of long-range programs for additions to and replacement with efficient vessels for the merchant marine, the training of ship operating personnel, the fixing of minimum manning and wage and working conditions for employment by subsidized operators and the management of a Government-owned national defense vessel reserve comprising some 1,500 vessels costing several billion dollars, Government-owned reserve shipyards worth several million dollars, terminal facilities worth several million dollars, reserve fund deposits of subsidized operators of over \$100,000,000, construction reserve funds of nonsubsidized operators, the operation under agency or charter of Government-owned vessels involving expenses and revenues and charter return of many million dollars monthly, processing of marine and war risk insurance of values amounting to several billion dollars, the operation, sale, charter, and trade-in of merchant vessels in accord with the merchant marine policy, the insurance of ship mortgages, the administration of reserve funds for new vessel construction, the control of sales and transfers of registry of American-owned vessels to foreign ownership or flag, and the requisition and operation of the American-owned merchant fleet in time of war or national emergency. The regulatory powers of the Commission extend to carriers in foreign water-borne commerce and commerce with our possessions and Territories, to freight forwarders, and to port terminal operators and include the prescribing of rules and regulations relating to their operations, the control of abuses with respect to the practices of such carriers, and the investigation and elimination of discriminations by foreign governments against American vessels.

Size of organization:

Number of employees, 6,512.

Estimated annual expenditures for fiscal year 1949, \$142,500,000.

**Position title:** Member, United States Maritime Commission. Section of bill: 5 (a).

**Present salary:** \$10,000. **Date salary established:** June 30, 1948, by Public Law 862 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbents:** Grenville Mellen, Mississippi; Raymond S. McKeough, Illinois; David J. Coddair, Massachusetts; Joseph K. Carson, Oregon.

**Responsibilities:** As one of five Commission members nominated by the President and approved by the Senate, the Commissioner, with other members, is responsible to the Congress and the President under a declaration of merchant-marine policy and discretionary standards prescribed by the Congress, for deliberative exercise of judgment and impartial determination in the public interest in respect of controversial policy issues, the wise selection of courses within a wide range of choice, and the approval or disapproval of applications, complaints, and recommendations, in the administration, execution, and enforcement of the merchant-marine and shipping statutes affecting directly a private industry with investments of more than a billion dollars, and employing thousands of persons, and indirectly affecting virtually the entire economy of the United States, important matters of foreign and domestic policy and relations, the whole national public interest, and the national defense.

These laws vest in the Commission, in addition to the quasi-judicial and legislative function of regulating carriers in oceangoing water transportation, the administration of direct subsidies and other aids to the development and maintenance of the merchant marine, the construction of essential ships and the provisions for shipping services needed to serve the requirements of the domestic and foreign water-borne commerce and the national defense, the development of long-range programs for additions to and replacement with efficient vessels for the



merchant marine, the training of ship-operating personnel, the fixing of minimum manning and wage and working conditions for employment by subsidized operators, and the management of a Government-owned national defense vessel reserve comprising some 1,500 vessels costing several billion dollars, Government-owned reserve shipyards worth several million dollars, terminal facilities worth several million dollars, reserve-fund deposits of subsidized operators of over \$100,000,000, construction reserve funds of nonsubsidized operators, the operation under agency or charter of Government-owned vessels involving expenses and revenues and charter return of many million dollars monthly, processing of marine and war-risk insurance of values amounting to several billion dollars, the operation, sale, charter, and trade-in of merchant vessels in accord with the merchant-marine policy, the insurance of ship mortgages, the administration of reserve funds for new vessel construction, the control of sales and transfers of registry of American-owned vessels to foreign ownership or flag, and the requisition and operation of the American-owned merchant fleet in time of war or national emergency. The regulatory powers of the Commission extend to carriers in foreign water-borne commerce and commerce with our possessions and Territories, to freight forwarders and to port terminal operators and include the prescribing of rules and regulations relating to their operations, the control of abuses with respect to the practices of such carriers, and the investigation and elimination of discriminations by foreign governments against American vessels.

Size of organization:

Number of employees, 6,512.

Estimated annual expenditures for fiscal year 1949, \$142,500,000.

**Position title:** Director of Aeronautical Research, National Advisory Committee for Aeronautics. Section of bill: 4.

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$16,000.

Incumbent: Hugh L. Dryden. State: Maryland.

Responsibilities: The Director of Aeronautical Research is the operating head of the organization which conducts the major portion of the basic aeronautical research for the Nation. This work is of vital importance to the national security and is the basis for our hope of maintaining American supremacy in the air.

In directing the research program of the NACA, he anticipates the research needs of aviation, civil and military, plans the necessary new research facilities to meet those needs, and times the institution and evaluation of research programs so as most effectively to provide the military services and the aircraft industry with the basic design data needed for the continuing improvement in the performance and effectiveness of America's military aircraft and in the safety and efficiency of America's civil aircraft. He directs and evaluates research contracts with other organizations, public and private, including scientific and educational institutions. He acts as the Government's leading expert adviser on basic aeronautical research.

Under his direction are three major and two smaller research stations employing approximately 7,000 employees, with an annual expenditure of \$44,000,000 and having a plant value of \$120,000,000. The Director meets frequently with an unpaid committee of the Nation's outstanding aeronautical authorities from the fields of industry, science, and the military services to formulate the research programs, not only for this organization, but also for other governmental agencies and for scientific and educational institutions throughout the country.

Size of organization:

Number of employees, 6,863.

Estimated annual expenditures for fiscal year 1949, \$44,000,000.

**Position title:** Chairman and member, National Labor Relations Board. Section of bill: 4.

Present salary: \$12,000. Date salary established: August 22, 1947, by Public Law 101 of Eightieth Congress.

Proposed salary: \$16,000.

Incumbent: Paul M. Herzog. State: New York.

Responsibilities: As a member of the Board, is responsible for effectuating the Federal labor policy expressed in the National Labor Relations Act, as amended, regulating all industries, trades, and businesses affecting commerce in the United States and its Territories except railroads and air lines. Prescribes rules and regulations necessary to carry out provisions of the act. Decides cases arising



under the act involving all major phases of employer-employee relations, unfair labor practices by employers and unions, rights of employees, representation (election), and jurisdictional disputes. Also decides rights of employees under Telegraph Merger Act and certifies labor organizations as bona fide for purposes of section 7 (b) of Fair Labor Standards Act.

Besides resolving disputes which obstruct or threaten to obstruct commerce, the Board members in their quasi-judicial capacity inevitably make decisions deeply affecting the entire economic life of the Nation, as they translate the general statutory language into specific policies and principles of law governing labor relations, establish the units for collective bargaining, fix the scope of collective bargaining, and define the rights of employers, employees, and labor organizations.

In addition to his duties as a member of the Board, the Chairman is responsible for such administrative functions as handling the Board's more important correspondence and personal contacts with Members of Congress, with executive agencies and with the public; the preparation and presentation of the Board's testimony on legislation and on appropriations; presiding at Board meetings and—with the assistance of the Executive Secretary—planning the flow of the Board's judicial work. Of course, if section 3 (d) of the present act (which created the independent general counsel) is repealed or modified and/or if certain Hoover Commission recommendations on regulatory agencies are implemented, the special administrative duties of the Chairman's office would increase.

**Size of organization:**

Number of employees, 1,420 full-time employees, as of March 31, 1949.

Estimated annual expenditures for fiscal year 1949, \$8,750,000.

**Position title:** Member, National Labor Relations Board. Section of bill: 4.  
**Present salary:** \$12,000. **Date salary established:** August 22, 1947, by Public Law 101 of Eightieth Congress.

**Proposed salary:** \$16,000.

**Incumbents:** James J. Reynolds, New Jersey; John M. Houston, Kansas; Abe Murdock, Utah; J. Copeland Gray, New York.

**Responsibilities:** As a member of the Board, is responsible for effectuating the Federal labor policy expressed in the National Labor Relations Act, as amended, regulating all industries, trades, and businesses affecting commerce in the United States and its Territories except railroads and air lines. Prescribes rules and regulations necessary to carry out provisions of the act. Decides cases arising under the act involving all major phases of employer-employee relations, unfair labor practices by employers and unions, rights of employees, representation (election) and jurisdictional disputes. Also decides rights of employees under Telegraph Merger Act and certifies labor organizations as bona fide for purposes of section 7 (b) of Fair Labor Standards Act.

Besides resolving disputes which obstruct or threaten to obstruct commerce, the Board members in their quasi-judicial capacity inevitably make decisions deeply affecting the entire economic life of the Nation, as they translate the general statutory language into specific policies and principles of law governing labor relations, establish the units for collective bargaining, fix the scope of collective bargaining, and define the rights of employers, employees, and labor organizations.

**Size of organization:**

Number of employees, 1,420 full-time employees, as of March 31, 1949.

Estimated annual expenditures for fiscal year 1949, \$8,750,000.

**Position title:** General Counsel, National Labor Relations Board. Section of bill: 4.

**Present salary:** \$12,000; **Date, salary established:** August 22, 1947, by Public Law 101 of Eightieth Congress.

**Proposed salary:** \$16,000.

**Incumbent:** Robert N. Denham. **State:** Maryland.

**Responsibilities:** The General Counsel is, in fact, the general administrator of the National Labor-Management Relations Act in all of its aspects, except the judicial task of conducting hearings, making findings, and reviewing records and making final decisions and orders. Another exception is that questions concerning representation, when contested, are determined by the Board and not by the General Counsel, notwithstanding that this is an administrative function.

The agency receives and processes unfair labor practice and representation cases involving virtually every type of business and industry which affects interstate commerce, except agriculture. During the calendar year 1948, the offices under the direction of the General Counsel, received and processed 47,263 cases.

The General Counsel has full supervision, responsibility, and authority over the 19 regional offices of the National Labor Relations Board which are strategically placed throughout the United States, and the nine subregional offices. By Statute he has final authority concerning the issuance of all complaints charging offenders with commissions of unfair labor practices. He also determines whether and when injunctions shall be sought to stop unfair labor practices. In certain cases he is required by the law to seek such injunctions. He is in charge of all the administrative affairs of the Washington office as well, with responsibility for all personnel matters except those particularly applicable to the Board, the staffs of the Board members, and the Executive Secretary's office. All matters pertaining to policies in the handling of unfair labor practice charges, and the relations of the regional offices with the public, the conduct and handling of all of the business of the Board short of that which falls into the judicial field, are the responsibility of the General Counsel and his staff.

There are at present 873 employees who man the various regional offices and suboffices under the supervision and on behalf of the General Counsel and there are 373 in Washington who function under his administration and direction.

**Size of organization:**

Number of employees, 1,420 as of March 31, 1949, full time employees.

Estimated annual expenditures for fiscal year 1949, \$8,750,000.

**Position title: Member, National Mediation Board.** Section of bill: 4.

Present salary: \$10,000. Date of salary established: June 21, 1934, by Public Law 442 of Seventy-third Congress.

Proposed salary: \$16,000.

Incumbents: Frank P. Douglass, Oklahoma; Francis A. O'Neill, Jr., New York; John Thad Scott, Jr., Texas.

**Responsibilities:** The three members of the National Mediation Board are charged with administering the Railway Labor Act, which governs labor relations on the railroads and air lines of the continental United States and its Territories. The mediation of issues growing out of the making, maintaining, and revising of labor agreements affecting wages, hours, and conditions of employment of more than 2,000,000 employees, and the prevention of strikes in these vital transportation industries is the major responsibility of the members of this Board, together with the detailed functions outlined in the act. The Board also acts in a quasi-judicial capacity, making findings of fact and conclusions of law after hearings on problems involving representation of employees. In instances where agreements are achieved through mediation, the Board is required to interpret such agreements on request. In addition to the principal duties outlined above, members of the Board are charged with expediting the functioning of many other provisions in the act.

The execution of the exacting duties of this Board makes it necessary that the members be men who have gained national prominence in some related field and be of such caliber that they will command respect and engender confidence in the people with whom they deal, whether it be the representatives of labor and management, the Members of the Congress, or the White House. In addition, a wide area of specific knowledge of working conditions and techniques, economic conditions, objectiveness, infinite patience, and utmost discretion are essential qualities of Board members in their task of coordinating the views of the parties to a dispute. Operating from a single headquarters in Washington, with no regional offices, the members spend much time at various points throughout the country, conducting hearings and mediating cases of special importance, often national in scope, which cannot be delegated to their staff of mediators. Prior to 1934, the predecessor of the present Board, the United States Board of Mediation, consisted of five members with salaries of \$12,000 each, per annum. The Board is bipartisan and the chairmanship is rotated.

**Size of organization:**

Number of employees, 91 plus 20 intermittent.

Estimated annual expenditures for fiscal year 1949, \$939,250.

**Position title:** **Secretary of the Department of the Air Force.** Section of bill: 1. Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 624 <sup>23</sup> of Sixty-eighth Congress.

Proposed salary: \$25,000.

Incumbent: W. Stuart Symington. State: Missouri.

**Responsibilities:** The Secretary of the Air Force is designated as the head of the Department by the National Security Act of 1947. He is responsible to the President and the Secretary of Defense for the carrying out of congressional and Executive directives on military aviation policy. The National Security Act also provides that he serve as a member of the National Security Council and the War Council. As head of the Department of the Air Force, the Secretary has final authority for all matters pertaining to the Air Force. Through his statutory civilian and military assistants (including the Under Secretary, the two Assistant Secretaries, and the Chief of Staff) he directs the day-to-day operation of the Department and both its short- and long-term programs. In general, only matters of a policy nature are referred to the Secretary for decision. The emergency and short-term programs (such as the Berlin air lift) require that the Secretary have full knowledge of the operational and administrative capabilities of the Air Force. He is responsible to the Secretary of Defense for integrating the programs of the Department of the Air Force with national and foreign policy in such matters as defense, military and civil aviation, military and civil air transport, intelligence, etc.

He must determine the scope and nature of the long-term program of the Air Force. This requires the integration of a budget of more than \$5,000,000,000, a civilian and military personnel strength of over 560,000, and an active aircraft strength of more than 9,500 into a phased operation that is in accord with the economic potential of the Nation as expressed by the President and the Secretary of Defense.

As a member of the National Security Council, the Secretary participates with the Secretaries of State, Defense, Army, and Navy in advising the President on the integration of domestic, foreign, and military policies relating to the national security. As a War Council member, he, together with the civilian and military heads of the other two military services, advises the Secretary of Defense on policy matters relating to the armed forces.

**Position title:** **Under Secretary of the Department of the Air Force.** Section of bill: 2 (a).

Present salary: \$10,000. Date salary established: July 26, 1947 by Public Law 253 of Eightieth Congress.

Proposed salary: \$20,000.

Incumbent: Arthur S. Barrows. State: California.

**Responsibilities:** The Under Secretary of the Air Force is responsible to the Secretary of the Air Force for the formulation and supervision of policies relating to procurement, production, and related industrial matters; contract renegotiation; planning for industrial mobilization; supply, maintenance, and transportation; research and development; industrial security. The Under Secretary is the Air Force member of the Munitions Board.

The degree of effectiveness with which the above-listed functions are discharged is directly reflected in the success of the tactical mission. The scope of the functions is indicated by the following: Procurement includes the purchase of all Air Force type matériel (Public Law 547 provided \$2,285,100,000 for aircraft and related equipment). The direction of the procurement program by the Under Secretary requires constant review of contract methods and procedures, the capabilities of aircraft companies, and the coordination of production scheduling to meet Air Force tactical requirements. In this connection the Under Secretary is responsible for the introduction of sound purchasing and distribution practices and for the establishment of effective methods for the distribution and storage of matériels valued at approximately \$2,000,000,000.

<sup>23</sup> July 26, 1947, Public Law 253, 80th Cong.



**Position title:** Assistant Secretary of the Department of the Air Force. Section of bill: 5 (a).

**Present salary:** \$10,000. **Date salary established:** July 26, 1947, by Public Law 253 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** Eugene M. Zuekert. **State:** Connecticut.

**Responsibilities:** The Assistant Secretary acts for the Secretary on all matters pertaining to the over-all management of the Department. He formulates the departmental policy on organization, budget, fiscal affairs, cost control, military installations, and civilian and military personnel. He supervises and directs the carrying out of these policies. Some examples of the scope of this position follow: He supervises the obligation and expenditure of the Department's budget of approximately \$5,000,000,000. He controls these matters through the Comptroller, United States Air Force, and works closely with the designated representative of the Secretary of Defense. Together with the Secretary of the Air Force, presents to the Congress the annual budget. He is responsible for seeing that such estimates represent valid requirements.

He closely supervises the Air Force cost control program to provide not only a sound basis for budgeting but an effective measurement of efficiency in expenditure of funds. He is responsible for seeing that the Department's policies with respect to personnel are properly executed. The Chief of Staff or his designated representative report to him directly on these matters. The Secretary has directed him to supervise the carrying out of Presidential and congressional programs with respect to fair employment and loyalty. In this connection, the Assistant Secretary personally supervises the fair employment officer and the Loyalty-Security Appeal Board.

**Position title:** Assistant Secretary of the Department of the Air Force. Section of bill: 5 (a).

**Present salary:** \$10,000. **Date salary established:** July 26, 1947, by Public Law 253 of Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbent:** Vacant.

**Responsibilities:** In general the responsibilities of the Assistant Secretary may be defined as all matters pertaining to national security. This includes the development of a sound Reserve force program. In this connection, working under the policy direction of the Secretary, develops and prescribes Air Force policy relative to its Reserve components. It requires the supervision of all detailed plans and the development of a Reserve force sufficient to meet the defense requirements of the Nation. Further, he is responsible for recommending to the Secretary the formulation of national policy with respect to military and civil air carriers; intelligence and foreign affairs concerned with air matters. In performing such functions the Assistant Secretary acts as the representative of the Secretary in providing assistance to other Federal agencies and civil organizations concerned with national aviation policy. In this connection he acts as a member of the Air Coordinating Committee and the State-Army-Navy-Air Force Coordinating Committee.

The major responsibilities of the Assistant Secretary are of a highly classified and confidential nature.

**Position title:** Secretary of the Army. Section of bill: 1.

**Present salary:** \$15,000. **Date salary established:** March 4, 1925, by Public Law 624 of Sixty-eighth Congress.

**Proposed salary:** \$25,000.

**Incumbent:** Vacant.

**Responsibilities:** The Secretary of the Army is head of the Department of the Army and performs such duties as are required of him by law or may be enjoined upon him by the President and the Secretary of Defense. Basically he is responsible for the provision of adequate forces organized, trained, and equipped primarily for prompt and sustained combat incident to operations on land in defense of the United States. As a member of both the War Council and the National Security Council, he advises the Secretary of Defense on broad armed forces policy matters and the President on integration of domestic, foreign, and military policy.

The Secretary of the Army also performs a number of tasks of a quasi-military or civil nature, each of which is of special significance. Problems incident to occupation of foreign areas demand a considerable amount of his attention. He is charged with the defense, maintenance, care, and operation of the Panama Canal. The development and execution of plans for flood control on inland rivers, as well as rivers and harbors projects in the United States, its Territories, and possessions, have been placed under his supervision. Likewise, he is president of the National Forest Reservation Commission, which is authorized to purchase such forested, cut-over, or denuded lands within the watersheds of navigable streams as in its judgment may be necessary to the regulation of stream flow or for the production of timber. These and other similar functions require active attention and, in many instances, coordination with other Government agencies and detailed reporting to the Congress.

**Size of organization:**

Number of employees: civilian, 370,011; military, 705,076; total 1,075,087.

Estimated annual expenditures for fiscal year 1949, \$7,776,000,000 (including civil functions).

**Position title: Under Secretary of the Army.** Section of bill: 2 (a).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$20,000.

Incumbent: Vacancy.

**Responsibilities:** The Under Secretary of the Army acts as the principal assistant to the Secretary of the Army in the entire field of the Secretary's responsibilities. He assists with the formulation of policy and supervises at the secretarial level those Army activities delegated by the Secretary and not specifically assigned to an Assistant Secretary. He acts as the Secretary of the Army in the absence of the Secretary.

His major interest and responsibility is in coordinating the policies and activities of the Department of the Army with those of the State Department and other governmental agencies in the development and execution of United States foreign policy. In the field of politico-military affairs, the Under Secretary is concerned with the integration of military policy with national policy. Consequently, the Under Secretary of the Army has for consideration those politico-military matters (other than occupation matters) upon which Army opinion and advice is requested by the National Security Council, the War Council, and the Joint Chiefs of Staff. He is the Army member of the State-Army-Navy Air Force Coordinating Committee. Also for the Under Secretary's consideration are the military aspects of United Nations' plans and policies, the Army's role in psychological and economic warfare, the development of policies relating to war plans and all other requirements of United States security, the Army's responsibilities resulting from international treaties and agreements, and supervision of Army missions to foreign nations, such as the hemisphere defense groups and special missions for aid to Greece and Turkey.

(This position is now vacant and the duties which might normally be assigned to this office are now being carried out by the two Assistant Secretaries.)

**Position title: Assistant Secretary of the Army.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Tracy S. Voorhees. State: New York.

**Responsibilities:** The Assistant Secretary of the Army is responsible for supervision and control of military government affairs in the occupied areas of Germany, Japan, Austria, and Trieste. As the primary agent for implementation of the Department of the Army's responsibility in this field, the Assistant Secretary is primarily concerned with the diverse political, economic, and psychological problems arising among almost 130,000,000 peoples and involving an expenditure of United States Government funds of approximately one and one-half billion dollars in the 1949 fiscal year. Briefly, he is responsible for the development, initiation, and execution of policy on such varied subjects as the German constitution, reparations, economic stabilization, foreign investment policy, exchange rates of the mark and the yen, restitution of property, reorientation of the German and Japanese people in the ways of democracy, and numerous similar matters. In addition, the Assistant Secretary of the Army is designated as the Food Administrator for Occupied Areas and supervisor of the bizone's (Germany)



operations as a member of the OEEC. Administration of relief in Germany and Japan requires the expenditure of over one-half billion dollars for food and fertilizer. Preparation of the budget and its presentation before the Congress is the responsibility of the Assistant Secretary. Apart from the above functions, the Assistant Secretary of the Army is the supervisor at secretarial level of other Army activities assigned by the Secretary, such as membership on the National Military Establishment Personnel Policy Board and on the Committee on Federal Medical Services.

To carry out his responsibilities the Assistant Secretary is required to be in constant communication with numerous other departments and agencies of the Government. He is in daily contact with State Department and ECA chiefs working out details of United States Government policies which affect all three of these agencies. The Congress and the public need constantly to be informed on occupation matters, and this duty devolves largely upon the Assistant Secretary of the Army.

(Since the position of Under Secretary of the Army has been vacant, the political-military matters which concern the Army throughout the world (except for the occupied areas) have been handled by one of the Assistant Secretaries. At this time responsibility is being assigned to the Assistant Secretary.)

**Position title: Assistant Secretary of the Army.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: February 12, 1925, by Public Law 413 of Sixty-eighth Congress.

Proposed salary: \$15,000.

Incumbent: Gordon Gray. State: North Carolina.

**Responsibilities:** The Assistant Secretary exercises the supervisory responsibility of the Secretary of the Army for all logistical and related fiscal activities of the Department, including the broad aspects of logistics programs, over-all procedures, advance planning, budget estimates, future expenditure programs, and the implementation of these plans and programs. Briefly it includes the procurement of all military supplies and other business pertaining thereto; industrial and related matters including industrial mobilization and demobilization; matters relating to the supply and service systems of the Army; and research and development.

In addition, the Assistant Secretary exercises policy supervision over renegotiation; contract appeals; contractual and damage claims; acquisition and disposal of real estate; bridge permits and relocations; civil functions of the Corps of Engineers; national cemeteries, monuments, and military parks; patents; transactions involving the management of civil and military property both real and personal; disposal of utilities; transfer of supplies and equipment; engineering surveys for civil projects; Army exchange system; labor relations; and operation of disciplinary barracks and custody of military prisoners. He is the Department of the Army member of the Munitions Board, President of the National Board for the Promotion of Rifle Practice, and Department of the Army member of the State Army-Navy-Air Force Coordinating Committee (SANACC). He supervises the political-military activities (other than Occupied Areas' matters) of the Department as well as matters pertaining to psychological warfare. In addition, the Assistant Secretary performs such other duties of a military and nonmilitary nature as are delegated to him by the Secretary of the Army and in the absence of both the Secretary and the Under Secretary acts as the Secretary of the Army.

**Position title: Governor, The Panama Canal.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: August 24, 1912; by Public Law 337 of Sixty-second Congress.

Proposed salary: \$15,000.

Incumbent: Brig. Gen. Francis K. Newcomer. State: Illinois.

**Responsibilities:** The Governor of the Panama Canal under the general supervision of the President exercised through the Secretary of the Army and in conformity to the treaty obligations and foreign policy of the United States affecting the Republic of Panama, is responsible for the operation, maintenance, and protection of the Panama Canal, the operation of the auxiliary enterprises necessary to provide adequately for the needs of shipping and of the Canal operating forces, the operation of the Panama Railroad Company, and the government and sanitation of the Canal Zone. These broad responsibilities include complete and immediate responsibility for:

(1) Operation and maintenance of the Canal, including ports, transiting of ships, operation of locks, dredging of channels and general administration at a gross



expense of \$13,400,000 during the fiscal year 1948 in which 5,920 tolls-paying ships were transited, producing over \$20,000,000 in tolls;

(2) Operation of the auxiliary enterprises of shipyards, storerooms, electric power system, water system, building, and other construction, quarters for employees, etc., doing a business of \$35,000,000 in fiscal year 1948;

(3) Operation of the Panama Railroad Company under the management of a Board of Directors, including the three 10,000-ton ships between New York and Cristobal; the railroad between the Atlantic and Pacific terminal cities, Colon and Panama; two hotels; the wharves and piers in the terminal ports; the Panama Railroad commissary and minor auxiliary enterprises doing a gross business of \$45,000,000 in fiscal year 1948;

(4) The government of the Canal Zone, including the provision of municipal government, police, fire, schools, etc., for a population of 40,000 persons at a gross expense of \$3,250,000 in fiscal year 1948;

(5) The sanitation of the Canal Zone, the supervision of the sanitation and health in the cities of Colon and Panama in the Republic of Panama; including provision of water sewerage and street maintenance and repairs, and the operation of the health and hospital services in the Canal Zone at a gross expense of \$5,650,000 in fiscal year 1948.

The significance of the activities and responsibilities is that the Canal-railroad enterprise is an international utility performing an indispensable service to world trade and an essential element in the defense of the United States.

Size of organization:

Number of employees, 22,560.

Estimated annual expenditures for fiscal year 1949, \$106,000,000.

**Position title: Secretary of Defense, National Military Establishment.** Section of bill: 1.

Present salary: \$15,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$25,000.

Incumbent: Louis Johnson. State: West Virginia.

Responsibilities: While recognizing that the functions of the Secretary of Defense may materially change as a result of an evolutionary process growing out of accumulating experience and further legislative action, his basic functions at the present time may be described broadly as follows:

1. Assistant to the President in all matters relating to the national security, including matters beyond the jurisdiction of the National Military Establishment, as such.

2. Establish the policies and formulate the basic programs of the National Military Establishment.

3. Generally direct and control the affairs of the National Military Establishment as a whole, a duty which includes among other things—

(a) Determining those major jobs or responsibilities which must be performed to carry out the general mission of the National Military Establishment;

(b) Deciding upon the general procedures and techniques by which each job will be done;

(c) Assigning these responsibilities among the several component agencies at least to the extent that such assignment has not already been made by statute;

(d) Assuring that each responsibility is being adequately discharged;

(e) Coordinating the activities of the several component agencies in the performance of these responsibilities both among themselves and with outside agencies; and

(f) Making certain that the objectives, policies, and programs which are established are carried out by all concerned.

4. Eliminate unnecessary duplication and overlapping in the fields of procurement, supply, transportation, storage, health, and research.

5. To supervise and coordinate preparation of budget estimates of the several components of the National Military Establishment, to determine the final budget estimates, and to supervise the budget programs which are adopted.

Size of organization:

Number of employees, military 1,662,046, civilians 893,026.

Estimated annual expenditures for fiscal year 1949, \$13,800,000,000.

**Position title:** Under Secretary of Defense, National Military Establishment.

Section of bill: 2 (a).

Present salary: \$12,000. Date salary established: April 2, 1949, by Public Law 36 of Eighty-first Congress.

Proposed salary: \$20,000.

Incumbent: Stephen T. Early. State: District of Columbia.

**Responsibilities:** The National Military Establishment is still in the process of evolution. The organization headed by the Secretary of Defense is unique to the Government and there is no body of law, tradition, or usage which serves as a guide to the specific authorities and requisites of the office. The multitude of problems to be considered, the variety of programs to be coordinated, the decisions to be made—all make it humanly impossible for any one individual to carry the full weight of directing the affairs of the National Military Establishment. The Under Secretary, therefore, serves as an "alter ego" to the Secretary in all matters and acts for him in his absence. He is specifically charged with coordinating on a day-to-day basis the activities of the agencies above the level of the three military departments.

**Position title:** Special Assistant to the Secretary of Defense, National Military Establishment. Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: W. J. McNeil. State: Iowa.

**Responsibilities:** One of the strongest directives and powers given to the Secretary of Defense by the National Security Act of 1947 is that of supervising and coordinating the preparation of budget estimates of the National Military Establishment, formulating and determining the budget estimates for submittal to the Bureau of the Budget and supervising the budget programs of the departments and agencies of the National Military Establishment.

It has been one of the primary responsibilities of this special assistant to carry out for the Secretary of Defense his responsibilities in budget matters. He has developed a complete budget process which coordinates all the planning of the National Security Council, Joint Chiefs of Staff, Research and Development Board, Munitions Board, and the departments, assuring that each annual budget program will enable the National Military Establishment to support effectively the foreign and domestic policy of the United States.

He supervises for the Secretary the expenditure of funds administered by the National Military Establishment; establishes general policies, programs, and procedures for fiscal, cost, and other accounting; he supervises the establishment of programs and statistical reporting procedures which provide for the Secretary current information on the operations of the National Military Establishment.

He has been the primary motivating force in securing uniformity and simplification of the administrative processes involved in running the National Military Establishment. Examples of such activities are (1) the efforts made in establishing appropriation structures which will enable the inclusion of all costs for a particular operation in a single budget program; (2) the proposed management fund bill, and (3) the proposed National Military Establishment Accounting Act of 1948, both of which would simplify procedures within the Military Establishment in cross-servicing activities and in common operations. In this work, the special assistant has carried out the programs almost entirely on his own initiative with complete authority from the Secretary of Defense.

In general, he is responsible for establishing the policies and coordinating the programs of budget, fiscal, reporting, and related activities of the National Military Establishment, involving over 2,500,000 employees and an annual expenditure of \$13,800,000,000.

**Position title:** Special Assistant to the Secretary of Defense, National Military Establishment. Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: John Ohly. State: District of Columbia.

**Responsibilities:** Due to the complexity of the National Military Establishment, there are arising continually problems of major importance on which the Secretary must take action and on which he needs expert advice, but which do not fall

within the field of responsibility of one of his staff agencies. It has been the responsibility of this special assistant to secure for the Secretary this information and guidance and act for him in the resolution of the problems. Under the guidance of the special assistant have been carried out studies on intelligence activities, civil defense, planning against unconventional forms of attack, internal security, foreign aid, politico-military affairs; and he has provided primary guidance to the Secretary on all these matters. He has provided for the Secretary, guidance to such specific operations as the Committee on Medical and Hospital Services of the Armed Forces; the Advisory Commission on Service Pay; and the Committee on Civilian Components.

The need for coordination of activities at this level is of paramount importance and it has been the responsibility of this special assistant to make certain that the activities of each of the staff agencies are properly coordinated with, and related to, the activities of all other staff agencies.

In carrying out his responsibilities, the actions taken by this Special Assistant affect the total Establishment, involving over 2,500,000 employees and an annual expenditure of \$13,800,000,000.

**Position title: Special Assistant to the Secretary of Defense, National Military Establishment.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Marx Leva. State: District of Columbia.

Responsibilities: At the time the National Security Act of 1947 was enacted, the military departments had long years of history in developing their own legislative programs. The resulting maze of laws under which the Military Establishment had to be governed was completely confusing and one of the primary responsibilities of this special assistant has been to bring order out of this chaos. He has instituted procedures which, under his active direction, now provide a complete and coordinated legislative program for the entire Military Establishment. It can be truly said that in the legal and legislative field the National Military Establishment is operating on a unified basis, largely through the personal work of this special assistant. In addition, this special assistant has been the personal adviser to the Secretary on all legal matters and has directed a staff which furnishes legal advice and counsel to all elements of the National Military Establishment above the level of the military departments.

One of the major jobs carried out under his direction was a study of the several systems of military justice in the armed services, resulting in a recommended uniform Code of Military Justice for the Military Establishment. Further, he has represented the Secretary of Defense in activities leading to the consolidation of NATS and ATC into the single Military Air Transport Service; in reorganizing the Military Liaison Committee to the Atomic Energy Commission; and in negotiations leading to the enactment of the Selective Service Act of 1948. In all these activities, he has acted with complete authority from the Secretary of Defense to make decisions which have the same force as decisions by the Secretary.

In carrying out his responsibilities of coordinating and directing the legal and national affairs of the National Military Establishment, the policies, programs, and procedures which he establishes directly affect the operations of the National Military Establishment including over 2,500,000 employees and an annual expenditure of \$3,800,000,000.

**Position title: Chairman, Munitions Board, National Military Establishment.**

Section of bill: 3 (a).

Present salary: \$14,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$18,000.

Incumbent: Donald F. Carpenter. State: Connecticut.

Responsibilities: The Chairman of the Munitions Board is responsible for directing the industrial aspects of the activities of the National Military Establishment. With full authority delegated by the Secretary to act in his name, his is the responsibility for seeing that our supply program keeps pace with the strategic and logistic planning of the Joint Chiefs of Staff. He assures that the strategic and logistic plans of the Joint Chiefs of Staff are feasible from an industrial and economic standpoint—that plants and tools are available to produce the goods required to implement the JCS plans and that such production will not seriously



affect the civilian economy of the country. Through a stock-piling program, he makes certain that adequate stocks of strategic and critical materials are on hand in this country to enable industry to start immediate production of instruments of war in the event of an emergency. By means of a reserve-plant and machine-tool program, he assures that industry is capable of a quick change-over from peacetime to wartime production. He is responsible for determining that the policies, procedures, and programs for procurement, production, and related activities throughout the Military Establishment are properly coordinated, do not contain any unnecessary duplication, and generally provide for the efficient and economical procurement, production, and distribution of material.

**Position title:** Chairman, Research and Development Board, National Military Establishment. Section of bill: 3 (a).

**Present salary:** \$14,000. **Date salary established:** July 26, 1947, by Public Law 253 of Eightieth Congress.

**Proposed salary:** \$18,000.

**Incumbent:** Dr. Karl T. Compton. **State:** Massachusetts.

**Responsibilities:** The Chairman of the Research and Development Board is responsible for directing the research and development aspects of the activities of the National Military Establishment. With full authority delegated by the Secretary to act in his name, his is the responsibility for seeing that the research and development programs provide for the armed forces of the United States the most advanced equipment and weapons of warfare. He advises the Joint Chiefs of Staff on the interaction of research and development and strategy. He furnishes the scientific know-how in the evaluation of proposed weapons and weapons systems.

He is responsible for determining that every dollar appropriated for research and development activities (\$530,000,000 for fiscal year 1949) is so used as to secure the maximum benefit for the National Military Establishment.

**Size of organization:**

**Number of employees:** 58 military (immediate staff only); 257 civilian.

**Estimated annual expenditures for fiscal year 1949,** \$1,500,000.

**Position title:** Secretary of the Navy. Section of bill: 1.

**Present salary:** \$15,000. **Date salary established** March 4, 1925, by Public Law 624 of Sixty-eighth Congress.

**Proposed salary:** \$25,000.

**Incumbent:** Vacant.

**Responsibilities:** The Secretary of the Navy is directly responsible by law for supervision of all naval affairs, the public trust for proper administration of the Naval Establishment resting finally upon him as its top executive. This establishment involves both military and business operations extremely diverse in character which extend over a wide portion of the world. It represents capital investment and expenditures, personnel, plants, and operations which by a rough comparison are almost three times the size of the United States Steel Corp. Effective management in the public interest of an organization of this size places upon its executive head a responsibility without parallel in private business and with few parallels even in government.

From the Secretary of the Navy stems the top direction, guidance, and control which maintain the Naval Establishment in a position to bear its share of the military task of meeting national interests and obligations, balance that position with the Nation's economic and political situation, and provide a constant and progressive drive for improvement in its effectiveness. He must understand national interests and policies fully, interpret, apply, and uphold them in their naval aspects, and by explicit policies and instructions of his own direct the Naval Establishment so that its development and use will be in consonance with them.

The Secretary of the Navy is provided with executive and technical assistants, both civil and military, and appoints the work of the Naval Establishment among them in such a manner as is most efficient, varying this proportion as circumstances dictate. He furnishes to them the policies to be followed in administering naval affairs, and reviews and evaluates their performance for adherence to these policies and for effective achievement of the missions assigned to the Navy. He coordinates their work so that the whole is kept in balance and consistent with the military and civil policies and objectives of the country at large. In evaluating the performance of his assistants he is responsible for recommending the appointment, removal, or reassignment of the incumbents of

the legally constituted positions, and controls in his own discretion the selection and assignment of all other principal naval officials. His is the task of insuring that naval strength and effectiveness is maintained sufficiently for the Nation's needs, that its level of operations is consistent with the public interest, that such factors as the local economic and social influence of naval installations are considered in its operations, that its money and property are administered in accordance with the public trust, and that the Naval Establishment in its far-flung activities conducts itself as a good neighbor in relations with the other Government agencies and with the public.

Size of organization:

Number of employees, 901,462 (539,942 military; 361,520 civilian).

Estimated annual expenditures for fiscal year 1949, \$4,485,000,000.

**Position title: Under Secretary of the Navy.** Section of bill: 2 (a).

Present salary: \$10,000. Date salary established: June 20, 1940, by Public Law 644 of Seventy-sixth Congress.

Proposed salary: \$20,000.

Incumbent: W. John Kenney. State: California.

Responsibilities: As one of the Secretary's civilian executive assistants, the Under Secretary of the Navy has as a principal responsibility that of insuring that the business operations of the Navy are properly administered and that sound business administration is obtained. To this end he collaborates with the Assistant Secretaries as regards the shore establishment and with the Chief of Naval Operations as regards the operating forces, and sees to it that the work of all is coordinated to the best interests of economical and efficient operation.

He has the responsibility for the general supervision of the preparation of the Navy budget, a business operation involving over \$4,000,000,000. A balanced distribution of funds, proper emphasis to priority programs, and adequate justification of the money required for the work of the Naval Establishment are factors demanding his careful attention throughout the budget's review and analysis. Since the budget naturally is the most determining factor in prescribing the extent of naval operations, its proper preparation is of utmost importance and requires exceeding care in each step of its construction. To the Under Secretary has been assigned the responsibility for insuring that its preparation follows sound principles and that its structure meets essential requirements.

The Under Secretary is responsible for the administration of the petroleum reserves assigned to the Navy's custody, and for the direction of all petroleum matters. The paramount importance of petroleum as a fuel extends to both the military and civil economies and the demands of one must be tempered by the requirements of the other. In the event of an emergency these petroleum reserves provide a ready source for at least partially offsetting a sudden increase in requirements by the armed services. To keep them in a condition of readiness, the Navy must pursue an intensive conservation and exploratory program. This program is a business operation of size involving many millions of dollars.

The Under Secretary has also the responsibility for the proper handling of the legislative and legal matters of the Navy, which include the preparation of legislation required for the administration of naval affairs and the review and careful analysis of all proposed legislation which would affect the Naval Establishment.

The Under Secretary might well be likened to an executive vice president of a large corporation, in that he coordinates its business operations and administration and assures by collaboration effective business administration by the other executive assistants of the most specialized functions assigned to their cognizance.

**Position title: Assistant Secretary of the Navy.** Section of bill 5: (a).

Present salary: \$10,000. Date salary established: May 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: John T. Koehler. State: Maryland.

Responsibilities: As one of the Secretary's civilian executive assistants, the Assistant Secretary of the Navy has as his principal responsibility the supervision of all naval affairs which concern procurement, production, and disposition of materials and facilities. To this end he supervises the operations of the bureaus and offices of the Navy Department in their purchase, manufacture, or other acquisition of materials necessary to carry out their functions; in the disposition of materials which are in excess of their requirements; in the determination of proper stock levels and replenishment requirements; in establishing and admin-



istering inventory control systems which will insure the right quantities of the right material at the right place at the right time.

Of primary significance in the Navy's material and procurement programs is the administration of purchase assignments for a single procurement agency both within Navy and within the National Military Establishment so that the economies of large-scale purchasing may be obtained and the waste of competitive procurement eliminated. Also of importance is the screening of procurement actions of one activity against material in excess of requirements at other activities to avoid needless purchase of items already on hand.

Since the amount of the Navy's procurement and production amounts in any one year to several billion dollars, supervision of its procurement matters is a tremendous responsibility and one requiring constant care and attention to the prevention of waste.

To the Assistant Secretary of the Navy are also assigned the responsibility for Navy participation in the joint procurement activities of the National Military Establishment. His also is the task of reviewing the requests and proposals for new facilities to see that they are in consonance with personnel available for their staffing. He has the responsibility for the contractual matters of the Navy in its procurement affairs, including the leasing of facilities for industrial reserve purposes and the preparation of industrial mobilization plans.

**Position title: Assistant Secretary of the Navy for Air.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Dan A. Kimball. State: California.

Responsibilities: As one of the Secretary's civilian executive assistants, the Assistant Secretary of the Navy for Air is assigned as his principal responsibility the supervision of the Navy's aeronautical affairs and the coordination of these affairs with other Government agencies interested in aeronautics. With a total inventory of 14,000 planes, over 50 air stations, and extensive plants, over-all facilities and personnel to man them, the Navy's aviation organization and its operations have considerable influence on aviation in general; and its mobile character enhances the problems of administering it so that the public good as well as military requirements are met. As Assistant Secretary of the Navy for Air, this official is responsible for the decisions which affect the Navy's use of the airways and for coordination with other users in resolving the problems of air traffic, control, regulations, and similar matters. With the growth of aviation the Navy's active operation of over 10,000 planes presents problems requiring constant effective collaboration with other aviation organizations, both United States and international, and the administration of its supporting aeronautical organization is a task of very broad scope.

No less important in their effect are the Navy's research, development, experimental, and testing activities, the supervision of which is also the responsibility of the Assistant Secretary of the Navy for Air. Since these activities range widely from fundamental research on abstract scientific subjects to the development of specific weapons, close coordination of the programs they involve is essential to channel them toward proper objectives and to prevent unnecessary duplication of projects. Many millions of dollars are spent for research and development and close administration is necessary to insure that they are spent wisely.

Also assigned to the Assistant Secretary of the Navy for Air are the administration of civilian personnel matters and supervision of all affairs regarding naval personnel. The Navy is one of the world's largest employers with over 350,000 civilian employees and its task of handling its relations with those employees is correspondingly greater than that of any single industrial activity.

**Position title: Executive Secretary, National Security Council.** Section of bill: 2 (b).

Present salary: \$10,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: Fixed by President.

Incumbent: Sidney W. Souers. State: Missouri.

Responsibilities: Under the personal direction of the President, who is Chairman of the National Security Council, the Executive Secretary is responsible for assisting the Council in advising the President with respect to the integration of domestic, foreign, and military policies relating to the national security, by the performance of the following functions on behalf of the Council:



(a) Developing a program of studies and recommendations for consideration by the council and arranging for their preparation by the Council's staff or by other appropriate departments and agencies.

(b) Preparing and maintaining the agenda of subjects under consideration by the Council, assuring in each case that they are appropriate matters for Council consideration.

(c) Keeping the President and other members of the Council advised concerning all current and pending items of Council business.

(d) Arranging and attending all Council meetings, and preparing and disseminating a record of the actions taken therein.

(e) Advising the other Council members of the President's actions with respect to the Council's recommendations.

(f) Maintaining the official Council files and acting as the official channel of communications and liaison between the Council and other departments, agencies, and individuals.

The Executive Secretary is the head of the Council's staff, which assists him in discharging the above responsibilities. Some members of the staff are employees of the Council, while others are detailed from the participating departments and agencies.

Size of organization:

Number of employees, 30.

Estimated annual expenditures for fiscal year 1949, \$155,000.

**Position title: Chairman, National Security Resources Board.** Section of bill: 2 (a).

Present salary: \$14,000. Date salary established: July 26, 1947, by Public Law 253 of Eightieth Congress.

Proposed salary: \$20,000.

Incumbent: Vacant.<sup>24</sup>

Responsibilities: To serve as the Chairman of the National Security Resources Board and to appoint and direct the staff of the Board in such programs as may be necessary to carry out the function of the Board which is to advise the President concerning the coordination of military, industrial, and civilian mobilization including:

(1) Policies concerning industrial and civilian mobilization in order to assure the most effective mobilization and maximum utilization of the Nation's manpower in the event of war;

(2) Programs for the effective use in time of war of the Nation's natural and industrial resources for military and civilian needs, for the maintenance and stabilization of the civilian economy in time of war, and for the adjustment of such economy to war needs and conditions;

(3) Policies for unifying, in time of war, the activities of Federal agencies and departments engaged in or concerned with production, procurement, distribution, or transportation of military or civilian supplies, materials, and products;

(4) The relationship between potential supplies of, and potential requirements for, manpower, resources, and productive facilities in time of war;

(5) Policies for establishing adequate reserves of strategic and critical material, and for the conservation of these reserves;

(6) The strategic relocation of industries, services, government, and economic activities, the continuous operation of which is essential to the Nation's security.

Size of organization:

Number of employees, 327.

Estimated annual expenditures for fiscal year 1949, \$2,610,362.

**Position title: Administrator, Philippine Alien Property Administration.** Section of bill: 5 (a).

Present salary: \$10,000. Date salary established: December 9, 1946, Presidential letter.

Proposed salary: \$15,000.

Incumbent: James McInnes Henderson. State: Texas.

Responsibilities: The Philippine Alien Property Administrator is responsible for the vesting of enemy-owned property and interests in the Republic of the Philippines under the Philippine Property Act of 1946, and the Trading With the

<sup>24</sup> John R. Steelman of Arkansas, the assistant to the President, has been designated by the President as Acting Chairman. Dr. Steelman is not on the pay roll of the Board. Mr. Mon C. Wallgren of Washington was nominated Feb. 3, 1949 by the President for the position of chairman of the National Security Resources Board. Mr. Wallgren's nomination is pending before the Senate.

Enemy Act, as amended. The Philippine Property Act of 1946 extended the provisions of the Trading With the Enemy Act to the Republic of the Philippines, and provided that the United States should, after vesting of enemy property, payment of claims, and expenses of administration, transfer the property or proceeds to the Republic of the Philippines. The authority and jurisdiction of the incumbent with respect to Philippine activities is comparable to the authority and jurisdiction of the Director of the Office of Alien Property of the Department of Justice (formerly Alien Property Custodian) in the United States.

The Philippine Property Act was enacted by the United States Congress and the program was undertaken by the United States at the request of the Philippine Government, and the enemy property or proceeds vested in this connection, amounting to millions of dollars and consisting of great agricultural lands, manufacturing plants, businesses, mines, and other holdings, will according to law be transferred to the Philippine Government. The incumbent holds, uses, administers, liquidates, sells these formerly enemy-owned properties in the name of the United States. He must by statute, however, pay title and debt claims, taxes and expenses, and defend suits in the Philippine courts. Transfers of properties to the Republic of the Philippines are accomplished periodically and as expeditiously as possible under law.

Size of organization:

Number of employees, 125.

Estimated annual expenditures for fiscal year 1949, \$440,000.

**Position title:** Member, Philippine War Damage Commission. Section of bill: 5 (a).

Present salary: \$12,000. Date salary established: April 30, 1946, by Public Law 370 of Seventy-ninth Congress.

Proposed salary: \$15,000.

Incumbents: Frank A. Waring, chairman, California; John A. O'Donnell, Pennsylvania; Francisco A. Delgado, Philippine Islands.

Responsibilities: The Commissioners are responsible for the administration of title I and section 304 of title III of the Philippine Rehabilitation Act of 1946, as amended. The total authorization for the payment of private and public claims by the Commission is \$457,000,000. The responsibility for title I includes the examination, investigation, and adjudication, by April 30, 1951, of more than 1,250,000 private claims filed by individuals and organizations for war damage in the Philippines with a claimed value of \$1,215,000,000 and the review of a claim when its adjudication has been appealed by the claimant. As of April 1, 1949, the Commission has received 10,800 appeals, or 1.5 percent of the 709,000 claims liquidated. The responsibility for section 304 of title III includes the authorization of compensation to the Philippine Government, its political subdivisions, and corporate entities for loss or damage to public property as a result of certain perils of war. The task of administering the program of rehabilitating public-property damage, as a result of the war, is divided into two phases: (1) The receipt, evaluation, and adjudication of claims, and (2) the servicing, control, and evaluation of the accomplishments resulting from the granting of awards.

Commissioner Waring is the elected Chairman of the Commission and, as such, is responsible for the administrative, fiscal, and public-relations functions of the Commission.

Commissioner O'Donnell is responsible for the supervision of the operations of the Bureau of Private Property Claims and the Bureau of Public Property Claims.

Commissioner Delgado is responsible for the supervision of the operations of the Bureau of Law and Appeals.

Size of organization:

Number of employees, 951.

Estimated annual expenditures for fiscal year 1949, \$167,454,904.

**Position title:** The Postmaster General. Section of bill: 1.

Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 624 of Sixty-eighth Congress.

Proposed salary: \$25,000.

Incumbent: Jesse M. Donaldson. State: Illinois.

Responsibilities: As a member of the President's Cabinet he is an adviser to the President of the United States in matters concerning the formulation of national policy and is appointed for and during the term of the President, and for 1 month thereafter.

He is the chief executive of the Postal Establishment, which is the national postal communications arm of the Federal Government, authorized by article I, section 8, of the Constitution of the United States.

The United States postal service is probably the largest single enterprise in the world and one of the largest employers of civilian personnel. It handles more than 43 billion pieces of mail matter and 975 million special service transactions annually. The revenue from all postal service operations in 1949 will amount to more than 1.6 billion dollars, or two and one-half times the revenue in 1925. Its operations will cost more than 2 billion dollars and the present number of employees is one and one-half times the number in 1925. More than 18 billion dollars are received and disbursed through it annually.

This postal system provides many communication and special services, including transmission of money, to all of the 145 million citizens of the United States through more than 47,000 local offices, and provides similar services between them and citizens of foreign countries where such postal services are available to their citizens. Within its ramified structure are found activities of such magnitude as a fleet of over 13,000 trucks; a savings system with more than 4,000,000 depositors; a real-estate operation of over 3,000 Government-owned public buildings and around 20,000 rental units; a civilian-procurement program requiring an expenditure of approximately \$60,000,000 annually for supplies, material, and equipment.

For the purpose of making better postal arrangements with foreign countries, he negotiates and concludes postal treaties, by and with the advice and consent of the President, and sets postage rates thereunder, and his construction and interpretation of provisions of such treaties are final and conclusive upon all officers of the United States.

He is Chairman of the Board of Trustees of the Postal Savings System and with the other two members, who are the Secretary of the Treasury of the United States, and the Attorney General of the United States, is responsible for the management and investment of the postal savings funds of more than \$3,000,000,000.

The execution of these responsibilities involves the planning for, the establishment and provision of, postal service; the formulation of postal policy in terms of the national interest; the appointment, instruction, and direction through subordinate officials of more than 500,000 civilian personnel in all branches of the postal service; the interpretation and enforcement of laws of the United States as they may apply to the operation of the postal system; the planning of the postal service to keep in step with national progress, and to meet emergency requirements on a national scale; the management of finances of the postal service; and the accounting for his stewardship of property and money.

The proper discharge of these responsibilities is important to the national interest because the objective of the postal service is to provide the lowest priced and most available means of communication between the citizens of the United States, and with their friends and relatives in foreign countries; to provide an economical means of communication for the business community of this Nation within the boundaries of the United States and with foreign countries; and it has been from the beginning of this Nation a most important means for the dissemination of knowledge to the citizens of this country.

In addition to the services provided directly to the citizens of the United States for a small fee, the postal system provides many services indirectly to them by serving other branches of their Government without charge. In time of war, free service has been extended to members of the armed services wherever they might be located throughout the world. These services have been rendered with such alacrity that it has become traditional, and the citizens have learned to expect it.

The Postmaster General is assisted in the administration of the Postal Establishment by four Assistant Postmasters General who are responsible, respectively, for the administration of post office services, transportation of mail, postal financial operations, and services and supply; and by the Comptroller, Bureau of Accounts; Director of Budget and Administrative Planning; Solicitor for the Post Office Department; Chief Post Office Inspector; Chief Clerk and Director of Personnel; and the Purchasing Agent.

In addition to the foregoing responsibilities, the Postmaster General serves the United States further as a statutory member of the Smithsonian Institution; as a member of the National Archives Council; as a member of the United States Washington and Lee University Bicentennial Commission by appointment by



President Truman; and as a member of the Advisory Board, Federal Interdepartmental Safety Council.

Size of organization:

Number of employees (March 1949): Full time, 345,903; part time, 163,023; total, 508,926.

Estimated annual expenditures for fiscal year 1949, \$2,072,392,872.

**Position title:** First Assistant Postmaster General. Section of bill: 2 (a).

**Present salary:** \$10,330. **Date salary established:** July 1, 1948, by Public Law 900 of Eightieth Congress.

**Proposed salary:** \$20,000.

**Incumbent:** Vincent C. Burke. **State:** Kentucky.

**Responsibilities:** The First Assistant Postmaster General is chairman of the Postmaster General's Staff, the chief functions of which are formulation and implementation of policy respecting administration and coordination of the activities of the bureaus and offices of the postal establishment. He is appointed by the President of the United States for an indefinite term with the advice and consent of the Senate. He functions as head of the Department in the absence of the Postmaster General, unless otherwise directed by the President.

He is the chief administrative officer of the bureau which supervises the operation of and authorizes expenditures for the operation of post offices, contract stations, delivery services, and custodial services in rented and leased quarters; determines the treatment of ordinary mail in post offices and its delivery; handles and disposes of dead letters and parcel post.

He authorizes the establishment and discontinuance of post offices, stations and branches. He sets standards for respective post office services and authorizes establishment, expansion or discontinuance in conformity therewith.

As fair-employment officer for the postal field service he regulates the employment activities of the field service in compliance with the Executive order of July 26, 1948.

Acting for the Postmaster General, he selects and recommends for nomination by the President postmasters at first-, second-, and third-class post offices. He selects and recommends for appointment by the Postmaster General postmasters at fourth-class post offices. He acts for the Postmaster General in the appointment, instruction, and direction of about 450,000 postal personnel.

The execution of these responsibilities involves direction of specialists in the planning and development of policies for the administration of the 47,000 offices of the postal service through which the public is served. This involves the development of plans and programs for efficient and economical spending of more than \$1,300,000,000 for the operation of the postal service respecting organization, staffing, operating, maintaining and managing every post office in the postal service from the smallest fourth-class office which may average only a few dollars of business in a month to the largest first-class office with average business of more than \$12,000,000 a month. This means planning not only to meet the day-to-day demands of the public for service, but to keep pace with the expanding requirements of a growing section or a national emergency.

The proper discharge of these responsibilities is important to the national interests because the purposes of the postal establishment, to provide the lowest priced, most available and economical means of communication and other special services, can be accomplished only through proper administration.

The activities of the Bureau are administered through the following divisions: Division of Post Office Clerical Service, responsible for planning, administration and budgetary control of post offices of the first, second, and third classes; Division of City Delivery Service, responsible for planning, establishment, administration, and budgetary control of delivery services; Division of Post Office Personnel, responsible for all personnel management in the field, except that relating to rural carriers and postmasters; Division of Postmasters, responsible for selection, nomination and instruction of postmasters at first-, second-, and third-class offices and the appointment of postmasters at offices of the fourth class, the handling of personnel matters affecting postmasters, the establishment of post offices, and handling of service matters in connection with fourth-class post offices; Division of Rural Delivery Service, responsible for planning and administration of the rural delivery service; Division of Budget and Administrative Services, responsible for financial planning and budgetary control, budget organization, work methods and procedures analyses of bureau operations, and the annual adjustment of salaries of postmasters.

The First Assistant Postmaster General is a member of the Post Office Department Loyalty Board.

Size of organization:

Number of employees (March 1949): Full time, 296,448; part time, 149,827; total, 446,275.

Estimated annual expenditures for fiscal year 1949, \$1,370,154,534.

**Position title:** Second Assistant Postmaster General. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 1, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Paul Aiken. State: Kansas.

**Responsibilities:** The Second Assistant Postmaster General is a member of the Postmaster General's staff and participates in the formulation and implementation of policy concerning the operation of the postal establishment and is appointed by the President of the United States for an indefinite term by and with the advice and consent of the Senate. He assumes all of the responsibilities and performs all of the duties of the Postmaster General in the absence of that official and the First Assistant Postmaster General, unless otherwise directed by the President.

He is the chief administrative officer of the Bureau of Postal Transport and plans, procures, and directs the use of surface and air transportation within and between the United States and its Territories and between the United States and foreign countries. He is the representative of the Postmaster General in negotiating and concluding postal treaties with foreign countries and administers the International Postal Service. He selects means and methods of routing mail and establishes time schedules controlling its movement and distribution en route. He plans and budgets financial requirements for postal transport and authorizes payment under appropriations therefor. He represents the Postmaster General in the appointment and instruction through various subordinate officials of the service more than 33,000 personnel employed in mail transportation activities. In the planning of transportation requirements he selects sites for terminal post-office facilities and negotiates leases therefor.

Transportation of mail is performed by railroads, electric cars, steamships, powerboats, mail messengers, star routes, highway post offices, and air carriers, which will cost more than \$500,000,000 in 1949.

The execution of these responsibilities involves the planning for, and provision of, transportation service to meet requirements of normal growth and emergency conditions; implementation of postal policy in terms of the national interest; appointment, instruction, and direction through subordinate officials of the personnel employed in transportation of mails.

The proper discharge of these responsibilities is important to the national interest because of the vast stake the Post Office Department has in the economy and security of the Nation through the postal transport system, particularly in light of the staggering implications of air transportation operating, developing, and expanding for world-wide coverage.

The affairs of the Bureau are administered through the following offices: Office of Surface Postal Transport responsible for surface transportation of mails in the continental United States, territories, and possessions; Office of Air Postal Transport responsible for all mail transportation by aircraft of all types in the domestic and foreign air postal transport system; Office of International Postal Service responsible for the entire operation of international postal service embracing the exchange of mails with foreign countries and the making of agreements and arrangements in the name of the United States with foreign postal administrations; Office of Administrative Services responsible for the verification and authorization of the payment of claims for the transportation of mails, improvement in systems and procedures of the Bureau, and the preparation of budget estimates.

The Second Assistant Postmaster General is a member of the Air Coordinating Committee and its Panel on International Civil Aviation Organization; Inter-agency Committee on Development of Alaska; Liaison and Technical Committees of the Universal Postal Union; and the Transportation Committee of the National Security Resources Board. He represents the Postmaster General at congresses of the Universal Postal Union, the Postal Union of the Americas and Spain, and the Universal Postal Union at meetings of the United Nations. He is contact and liaison officer with the State Department and the Office of International Trade.



## Size of organization:

Number of employees (March 1949): Full time, 25,964; part time, 7,096; total, 33,060.

Estimated annual expenditures for fiscal year 1949, \$501,672,047.

**Position title:** Third Assistant Postmaster General. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 1, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Joseph J. Lawler. State: Pennsylvania.

**Responsibilities:** The Third Assistant Postmaster General is a member of the Postmaster General's staff and participates in the formulation and implementation of policy concerning the operation of the postal establishment. He is appointed by the President of the United States for an indefinite term by and with the advice and consent of the Senate. He functions as head of the Department in absence of the Postmaster General, the First Assistant and Second Assistant Postmasters General, unless otherwise directed by the President.

He is the chief finance officer of the postal service and through subordinate officials administers the Bureau which supervises all postal financial operations and many special services. He determines the manner of handling the financial operations of the post office and money order services, controlling through subordinate officials the movement of cash throughout the postal service.

He interprets the application of the financial provisions of laws relating to the postal service, including postal rate legislation and establishes mail classifications for the protection of postal revenue.

He advises the Postmaster General and Congress on matters concerning postage rates and controls the use of the free mailing privileges. He controls the manufacture and distribution of stamps and stamped paper, administers the philatelic activities of the postal service, and authorizes the use of the second-class mail privilege and the issuance of permits for metered and nonmetered mail.

As agent of the Postal Savings System he is responsible for the stewardship of all funds and the operation of the system. He also directs and accounts for the sale of savings bonds and stamps and documentary stamps by the postal system for the United States Treasury, and migratory bird stamps for the Department of the Interior.

He administers the domestic and international money order system. This not only involves the movement of large sums of money within the United States and territories, but extensive dealing in foreign exchange.

He regulates the manner of performance respecting insurance, registry service and collect-on-delivery mail and the payment of indemnities for damage or loss thereunder.

Revenues in 1949 are two and one-half times and expenditures are more than three times those in 1925. At present nearly three times as much money flows through the postal system as in 1925.

The execution of the foregoing responsibilities involves direction of specialists in determination of and planning for the funds required of each of the 47,000 offices of the postal service and financial management respecting post office, money order, and postal-savings services; in the regulation for receipt of, movement, and safe-keeping of funds throughout the service; in interpretation of legal requirements respecting classification, admissibility and rating of mail matter; in the determination of and planning for the use of stamps and stamped paper, including the design, procurement, distribution, sale and accounting for postage stamps, which represent 66 percent of postal revenue; in the purchase and sale of foreign exchange; and in the discharge of the fiduciary responsibilities respecting both money order and postal savings funds.

The proper discharge of these responsibilities is important to the national interests because the purpose of the postal establishment, to provide the lowest priced, most available and economical means of communication and other special services, can be accomplished only through proper financial management.

The affairs of the Bureau are administered through heads of the following divisions: Division of Postal Finances, responsible for receipts, disbursements and accounting for postal funds and for maintenance of methods and procedures for the handling of postal finances from origin to disposition according to the laws of Congress, the decisions of the Comptroller General of the United States, and Treasury Department regulations; Division of Postal Savings Banking and Investments, responsible for administration of the entire postal savings system



and investment of the funds derived therefrom, control of the sale of United States savings bonds and stamps in post offices, and the handling and accounting for the proceeds from such sales; Division of Stamps and Philately, responsible for the procurement, manufacture, and distribution of stamps, stamped paper, and postal cards and the examination, verification, adjustment, certification, and settlement of accounts due contractors; Division of Letter and Miscellaneous Mail, responsible for determination of the classification of mail of the first, third, and fourth classes, including collection of and accounting for such postage, as well as administration of the laws and regulations governing penalty, franking, and other free mailing privileges; Division of Newspaper and Periodical Mail, responsible for administration of all matters pertaining to the entry of publications as second-class matter, their right to continue therein, and supervision of the collection of postage on such matter; Division of Money Orders, responsible for management and conduct of the domestic and international money order services, including the issuance and payment of postal notes; Division of Registered, Insured, and C. O. D. Mail, responsible for management and operation of the registry, insurance, and c. o. d. services, the collection of fees therefor, and the adjustment of claims for indemnity to cover loss or damage arising therefrom; Division of Administrative Services, Parcel Post and Budget, responsible for the planning and scheduling of projects for the examination of organization methods, procedures, forms, and services and the development of new services and methods affecting the operations of the Bureau, the preparation of budget estimates, and the study and consideration of matters relating to development of the parcel post system and methods designed to improve this system.

In addition to the foregoing responsibilities, the Third Assistant Postmaster General is a member of the Interdepartmental Committee for Voluntary Pay-roll Savings Bonds and the Post Office Department Loyalty Board.

**Size of organization:**

Number of employees (March 1949), 429.

Estimated annual expenditures for fiscal year 1949, \$18,080,988.

**Position title:** Fourth Assistant Postmaster General. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 1, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Walter Myers. State: Indiana.

**Responsibilities:** The Fourth Assistant Postmaster General is a member of the Postmaster General's staff and participates in the formulation and implementation of policy concerning the operation of the postal establishment. He is appointed by the President of the United States for an indefinite term by and with the advice and consent of the Senate. He functions as head of the Department in the absence of the Postmaster General and the other Assistant Postmasters General unless otherwise directed by the President.

He is the chief administrative officer of the Bureau which is responsible for the engineering research affecting the use of space and equipment by the postal service; the equipment and supplies used in the operations of the postal service; the procurement standards and specifications, inspection, custody, and distribution of equipment and supplies; the administration and operation of Government-owned post-office buildings; the leasing or renting of quarters for post-office units not housed in Federal buildings; the administration and operation of local transportation of mail by pneumatic tube and Government-owned and rented vehicles; the production and distribution of post-route maps; the manufacture and repair of mail bag and lock equipment; the traffic management involved in transportation of equipment, material, and supplies for the postal establishment.

He represents the Postmaster General on the Interdepartmental Committee on Public Buildings in joint action with the Federal Works Agency in the selection of sites and planning construction of public buildings that will be used for postal operations.

The execution of these responsibilities involves financial planning and budgetary control and coordination of all operations with activities of other bureaus; engineering research and planning for the provision of adequate and economical utilization of space for post-office operations; the acquisition of the necessary supplies and equipment to meet the specialized requirements of the postal service; and the exercising of technical supervision over the activities in the field under the jurisdiction of the Bureau.

The proper discharge of these responsibilities is important to the national interest because the purpose of the postal establishment to provide lowest priced,

most available and economical means of communication and other special services, can be accomplished only through the uninterrupted flow of necessary equipment, materials, supplies, and services, and the research and planning for their most economical procurement and use.

The affairs of the Bureau are administered through the heads of the following divisions: Division of Equipment and Supplies, responsible for planning, budgetary control, specifications and standards, procurement and distribution of the supplies and equipment used in the operation of the postal service; Division of Federal Building Operations, responsible for planning, budgetary control, standards and specifications for management and operation of 3,262 Government-owned buildings housing large postal units and field offices of other Government departments, including personnel management for 19,800 employees; Division of Engineering and Research, responsible for technical and mechanical research, planning, and development relating to utilization of postal space in Federal buildings including the installation and design of all mechanical equipment; engineering, installation, and lay-out problems related to quarters; detailed plans of screen lines; design and supervision of installation of conveyors, and other labor-saving devices; Division of Motor Vehicle Service, responsible for the planning, budgetary control, standards, specifications, and inspection of equipment and supplies, and authorization, operation, and maintenance of 13,000 Government-owned motor vehicles and rented vehicles and the pneumatic-tube service, including personnel management for 6,600 employees and provision of transportation for special delivery service; Division of Topography, responsible for design, compilation, production, and distribution of post-route maps, county and local maps; Division of Mail Equipment Shops, responsible for management, budgetary control, procurement and inspection of materials and supplies, and personnel management for 540 employees for manufacture and repair of mail-bag and lock equipment; Division of Traffic, responsible for budgetary control, traffic management including routing and rating for the shipment of equipment, material, and supplies; Division of Post Office Quarters, responsible for budgetary control, planning for space utilization, and negotiating for the leasing or renting of quarters for 20,000 postal units not housed in Federal buildings.

The Fourth Assistant Postmaster General is a member of the Federal Fire Council as well as the governing body of that Council; the Federal Interdepartmental Safety Council; and the Post Office Department Loyalty Board.

**Size of organization:**

Number of employees (March 1949): Full time, 21,365; part time, 6,099; total, 27,464.

Estimated annual expenditures for fiscal year 1949, \$170,332,574.

**Position title: Member, Railroad Retirement Board.** Section of bill: 4.

Present salary: \$10,000. Date salary established: August 29, 1935, by Public Law 399 of the Seventy-fourth Congress.

Proposed salary: \$16,000.

Incumbent: William J. Kennedy, Chairman. State: Ohio.

**Responsibilities:** The Board members, acting collectively, exercise all of the duties and powers conferred by the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act which provide (a) retirement benefits for aged and disabled railroad employees and benefits for their survivors; and (b) unemployment, maternity, and sickness insurance benefits for such employees. Total employees covered by both programs number approximately 8,000,000. As of the close of the fiscal year 1949 fund balances were approximately \$2,600,000,000.

The Board is responsible for the certification of benefit payments aggregating approximately \$400,000,000 annually; the collection of contributions from employers for payment of unemployment-insurance benefits; the operation of a system of free employment offices and the promotion of vocational training so as to reduce unemployment; entrance into agreements with State, Federal, and foreign agencies conducting similar programs so as to coordinate all phases of related operations; entrance into agreements with employers, employee organizations, hospitals, clinics, and others for use of facilities for taking benefit claims and conducting physical, mental, and other types of examinations of claimants; and appointment of advisory councils and the conduct of research projects to aid in the formulation of Board policies, programs, and recommendations of amendatory legislation. The members acting collectively also determine the structure of the administrative organization and personnel policies; review requests for appropriations totaling approximately 600 to 800 million dollars annually, including 10 to 12 million dollars for administrative expenditures; authorize all litigation by



or in behalf of the Board; and serve as the court of final administrative appeal for employees of the administrative organization and employers and employees covered by the acts.

In addition to his duties as a member of the Board, outlined above, the Chairman is the presiding officer at Board meetings; concludes formal agreements with States, employers, and others; furnishes information concerning Board policies and operations requested by the President, the Director of the Budget, the Comptroller General, and chairmen of the various committees of the Congress; appears before appropriations committees of the Congress at hearings on Board requests for annual and deficiency appropriations; as circumstances require, conducts negotiations on administrative matters with the heads of other Government agencies; furnishes to the Bureau of the Budget the Board's views on pending legislation affecting the administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act and appears before committees of the Congress holding hearings on such legislation to give testimony on behalf of the Board.

Size of organization:

Number of employees, 2,550.

Estimated annual expenditures for fiscal year 1949, \$369,800,000.

**Position title: Member, Railroad Retirement Board.** Section of bill: 4.

Present salary: \$10,000. Date salary established: August 29, 1935 by Public Law 399 of Seventy-fourth Congress.

Proposed salary: \$16,000.

Incumbents: Julius G. Luhrsen (railroad labor member), Illinois; Frank C. Squire (railroad member), Illinois.

Responsibilities: The Board members, acting collectively, exercise all of the duties and powers conferred by the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act which provide (a) retirement benefits for aged and disabled railroad employees and benefits for their survivors; and (b) unemployment-, maternity-, and sickness-insurance benefits for such employees. Total employees covered by both programs number approximately 8,000,000. As of the close of the fiscal year 1949 fund balances were approximately \$2,600,000,000.

The Board is responsible for the certification of benefit payments aggregating approximately \$400,000,000 annually; the collection of contributions from employers for payment of unemployment-insurance benefits; the operation of a system of free employment offices and the promotion of vocational training so as to reduce unemployment; entrance into agreements with State, Federal and foreign agencies conducting similar programs so as to coordinate all phases of related operations; entrance into agreements with employers, employee organizations, hospitals, clinics and others for use of facilities for taking benefit claims and conducting physical, mental and other types of examinations of claimants; and appointment of advisory councils and the conduct of research projects to aid in the formulation of Board policies, programs, and recommendations of amendatory legislation. The members acting collectively also determine the structure of the administrative organization and personnel policies; review requests for appropriations totaling approximately 600 to 800 million dollars annually, including 10 to 12 million dollars for administrative expenditures; authorize all litigation by or in behalf of the Board; and serve as the court of final administrative appeal for employees of the administrative organization and employers and employees covered by the acts.

Size of organization:

Number of employees, 2,550.

Estimated annual expenditures for fiscal year 1949, \$369,800,000.

**Position title: Chairman, Board of Directors, Reconstruction Finance Corporation.** Section of bill: 4.

Present salary: \$15,000. Date salary established: June 30, 1947, by Public Law 132 of Eightieth Congress.

Proposed salary: \$16,000.

Incumbent: Harley Hise. State: California.

Responsibilities: The direction and management of RFC, including its 31 loan agencies, is vested in a Board of Directors consisting of 5 persons appointed by the President, by and with the consent of the Senate. The Chairman of the Board of Directors, designated by the President, is the chief executive officer of the Corporation, and is charged with the responsibility of general executive supervision, in an operating capacity, of the affairs of the Corporation as described below.



**Lending operations:** The normal peacetime loan and investment program of the Corporation embraces the making of direct business loans and participations with banks and other lending institutions in such loans, including loans to foster and develop small business enterprises and loans to railroads, air lines and other common carriers, public agencies, financial institutions, catastrophe loans, provision for a secondary market for FHA-insured and VA-guaranteed mortgage loans through its subsidiary, the Federal National Mortgage Association. From 1932 through March 31, 1949, the Corporation authorized loans aggregating approximately \$21,000,000,000. The Corporation had outstanding as of March 31, 1949, loans (excluding the purchase of FHA-insured and VA-guaranteed mortgage loans) of \$787,784,961. As of the same date the Corporation had in portfolio, or committed itself to purchase, FHA-insured and VA-guaranteed mortgage loans of \$696,954,986.

**Production and sales of synthetic rubber:** Synthetic rubber is produced under the Rubber Act of 1948 and Executive Order 9942, through the operation and maintenance of 34 plants, representing a capital investment of over \$500,000,000. Practically all the synthetic rubber consumed in the United States is produced in these plants, with current annual production and sales exceeding 400,000 long tons at a cost of approximately \$200,000,000.

**Production, purchases and sales of tin:** This program includes the operation and management of the Texas City tin smelter under Public Law 125, as amended by Public Law 824, both of the Eightieth Congress. This smelter is a unique facility and produces a large proportion of the Nation's current annual industrial requirements of tin metal. Production is dependent upon the acquisition of the requisite tin-bearing materials from highly competitive sources in the foreign market. For the current fiscal year acquisition of materials in the form of ores, concentrates and metal will aggregate approximately \$200,000,000. Both operations, production, and sales, are subject to close supervision by the RFC Directors.

**Liquidation of war activities:** This includes the disposal of plants and properties, of which 83, valued at approximately \$99,000,000, are under leases expiring over the next 30 years; sales of \$8,000,000 of properties under expired leases; liquidation of miscellaneous claims and accounts aggregating approximately \$82,000,000, such claims and accounts arising out of the wartime operations of RFC's former subsidiaries, plus approximately \$27,000,000 of liabilities arising from the same source. There are also approximately \$28,000,000 of contingent assets and liabilities, many of which are presently the subject of litigation.

Except as otherwise provided by law, the Directors of the Corporation determine the necessity for, and the character and amount of, its obligations and expenditures under the RFC Act, and the manner in which they are incurred, allowed, paid, and accounted for, without regard to the provisions of any other laws governing the expenditure of public funds, and such determinations are final and conclusive upon all other officers of the Government. Since 1932, the Directors have authorized the expenditure (including wartime activities) of approximately \$42,500,000,000, and under existing law for new business since June 30, 1947, are authorized to have outstanding at any one time in normal lending operations \$2,050,000,000.

**Size of organization:**

Number of employees, 4,575 (as of March 31, 1949).

Estimated annual expenditures for fiscal year 1949, \$1,000,000,000 (approximately).

**Position title:** Member, Board of Directors, Reconstruction Finance Corporation. Section of bill: 5 (a).

**Present salary:** \$12,500. Date salary established: June 30, 1947, by Public Law 132 of the Eightieth Congress.

**Proposed salary:** \$15,000.

**Incumbents:** Walter L. Dunham, Michigan; Harvey J. Gunderson, South Dakota; Henry A. Mulligan, New York; William E. Willett, Maryland.

**Responsibilities:** The direction and management of RFC is vested in a Board of Directors consisting of five persons appointed by the President by and with the advice and consent of the Senate. The Directors are charged jointly with the sole responsibility, in an executive operating capacity, for carrying out the duties and activities of the Corporation described below:

**Lending operations:** The normal peacetime loan and investment program of the Corporation embraces the making of direct business loans and participations with banks and other lending institutions in such loans, including loans to foster and develop small business enterprises and loans to railroads, air lines, and other

common carriers, public agencies, financial institutions, catastrophe loans, provision for a secondary market for FHA-insured and VA-guaranteed mortgage loans through its subsidiary, the Federal National Mortgage Association. From 1932 through March 31, 1949, the Corporation authorized loans aggregating approximately \$21,000,000,000. The Corporation had outstanding as of March 31, 1949, loans (excluding the purchase of FHA-insured and VA-guaranteed mortgage loans) of \$787,784,961. As of the same date the Corporation had in portfolio, or committed itself to purchase, FHA-insured and VA-guaranteed mortgage loans of \$696,954,986.

**Production and sales of synthetic rubber:** Synthetic rubber is produced under the Rubber Act of 1948 and Executive Order 9942, through the operation and maintenance of 34 plants, representing a capital investment of over \$500,000,000. Practically all the synthetic rubber consumed in the United States is produced in these plants, with current annual production and sales exceeding 400,000 long tons at a cost of approximately \$200,000,000.

**Production, purchases, and sales of tin:** This program includes the operation and management of the Texas City tin smelter under Public Law 125, as amended by Public Law 824, both of the Eightieth Congress. This smelter is a unique facility and produces a large proportion of the Nation's current annual industrial requirements of tin metal. Production is dependent upon the acquisition of the requisite tin-bearing materials from highly competitive sources in the foreign market. For the current fiscal year acquisition of materials in the form of ores, concentrates, and metal will aggregate approximately \$200,000,000. Both operations, production, and sales are subject to close supervision by the RFC Directors.

**Liquidation of war activities:** This includes the disposal of plants and properties, of which \$3, valued at approximately \$99,000,000, are under leases expiring over the next 30 years; sales of \$8,000,000 of properties under expired leases; liquidation of miscellaneous claims and accounts aggregating approximately \$82,000,000, such claims and accounts arising out of the wartime operations of RFC's former subsidiaries, plus approximately \$27,000,000 of liabilities arising from the same source. There are also approximately \$28,000,000 of contingent assets and liabilities, many of which are presently the subject of litigation.

Except as otherwise provided by law, the Directors of the Corporation determine the necessity for, and the character and amount of, its obligations and expenditures under the RFC Act, and the manner in which they are incurred, allowed, paid, and accounted for, without regard to the provisions of any other laws governing the expenditure of public funds, and such determinations are final and conclusive upon all other officers of the Government. Since 1932, the Directors have authorized the expenditure (including wartime activities) of approximately \$42,500,000,000, and under existing law for new business since June 30, 1947, are authorized to have outstanding at any one time in normal lending operations \$2,050,000,000.

**Size of organization:**

Number of employees: 4,575 (as of March 31, 1949).

Estimated annual expenditures for fiscal year 1949, \$1,000,000,000 (approximately).

**Position title:** Member, Securities and Exchange Commission. Section of bill: 4. Present salary: \$10,000. Date salary established: June 6, 1934, by Public Law 291 of Seventy-third Congress.

Proposed salary: \$16,000.

**Incumbents:** Edmond M. Hanrahan, New York; Richard B. McEntire, Kansas; Robert K. McConaughy, Ohio; Harry A. McDonald, Michigan; Paul R. Rowen, Massachusetts.

**Responsibilities:** The Commission administers seven statutes which provide for a variety of work in connection with corporate financing; the regulation of stock exchanges; the supervision of trading in securities both on stock exchanges and in the over-the-counter markets; the reorganization of gas and electric public utility holding company systems to simplify their security structures, to distribute voting power equitably, and to integrate their properties geographically; the qualification of trust indentures underlying the issues of the debt; the regulation of certain activities of investment advisers and the supervision of internal financial affairs of investment companies; and the rendition of advice to Federal courts in corporate reorganization proceedings arising under chapter X of the Bankruptcy Act. The Commissioners participate in the quasi-judicial adjudication of individual rights and duties and affairs of companies and their security holders, often involv-



ing large sums of money. Whether calling for direct regulatory action or determination of the adequacy of disclosure the problems may involve law, accounting, financial analysis, domestic and foreign economics, or engineering. Each Commissioner bears primary responsibility for full understanding, sound judgment, and fair administration in deciding matters as a body. The conduct of the Commission vitally affects individual and economic welfare and is exposed to public scrutiny in courts and through extensive news coverage.

Some of the effects of the Commission's administration upon the particular fields it regulates and upon the national economy, as well as the multitude of individual actions involved, may be envisioned by these summary figures:

Securities Act of 1933, issues of securities for public sale:	<i>1 year, fiscal 1948</i>
As originally filed.....	\$6, 149, 704, 287
As effective.....	5, 675, 723, 016
Trust Indenture Act, securities covered by indenture:	
As originally filed.....	2, 554, 029, 380
As effective.....	2, 445, 903, 580
Approximate assets of registered investment companies.....	3, 825, 000, 000
Assets of public utility holding company systems under the Commission's jurisdiction.....	14, 574, 000, 000
Total market value of stock sales on national stock exchanges...	13, 932, 441, 000
Corporate reorganizations under ch. X of the Bankruptcy Act:	
Assets.....	1, 744, 674, 000
Indebtedness.....	1, 130, 548, 000
Size of organization:	
Number of employees, 1,150.	
Estimated annual expenditures for fiscal year 1949, \$5,826,140.	

**Position title: Director, Selective Service.** Section of bill: 5 (a).

Present salary: \$12,500. Date salary established: June 24, 1948, by Public Law 759 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Maj. Gen. Lewis B. Hershey. State: Indiana.

**Responsibilities:** The Director of Selective Service is the head of the Selective Service System and is responsible directly to the President for the organization and administration of the Selective Service System, established by title I of the Selective Service Act of 1948, which consists of a national headquarters; 54 State headquarters in the States, Territories, possessions, and District of Columbia; 54 appeal boards, and 3,659 local boards.

The Director of Selective Service is responsible for the carrying out of the functions of the Selective Service System under title I of the Selective Service Act of 1948, which include the registration, examination, classification, delivery for induction, and maintenance of records of the male persons ages 18 to 26 who are required to register under the provisions of that title; the preservation and servicing of the 50,000,000 individual records of persons who registered under the Selective Training and Service Act of 1940, as amended, and the preservation of the knowledge and methods of Selective Service.

Size of organization:

Number of employees, 5,943 compensated; 36,697, uncompensated.

Estimated annual expenditures for fiscal year 1949, \$27,476,700.

**Position title: Secretary of State.** Section of bill: 1.

Present salary: \$15,000. Date salary established: March 4, 1925, by Public Law 624 of Sixth-eighth Congress.

Proposed salary: \$25,000.

Incumbent: Dean Acheson. State: Maryland.

**Responsibilities:** The Secretary of State, who is the highest ranking Cabinet member, serves as principal adviser to the President in the determination and execution of United States foreign policy, and has general direction over all the functions of the Department and the Foreign Service. He has custody of the Seal of the United States, conducts correspondence with the States of the Union on the ratification of proposed amendments to the Constitution and on the ascertainment of Presidential electors, and publishes laws enacted by Congress.

Size of organization:

Number of employees, 21,672 positions.

Estimated annual expenditures for fiscal year 1949, \$317,512,941.



**Position title: Under Secretary of State.** Section of bill: 2 (a).

Present salary: \$12,000. Date salary established: June 3, 1948, by Public Law 597 of Eightieth Congress.

Proposed salary: \$20,000.

Incumbent: James E. Webb. State: North Carolina (District of Columbia).

Responsibilities: The Under Secretary of State serves as the principal adviser and assistant to the Secretary in the formulation, determination, and execution of United States foreign policy. The Under Secretary is the second ranking officer in the Department and in the absence of the Secretary serves as Acting Secretary of State.

**Position title: Assistant Secretary of State, Assistant Secretary for Economic Affairs.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Willard L. Thorp. State: Connecticut.

Responsibilities: The Assistant Secretary for Economic Affairs advises and assists the Secretary in the development and implementation of foreign economic policy with respect to international trade, finance, transportation, communications, and economic and social development and security.

In these respects, the Assistant Secretary is responsible for the effective performance of the following functions:

1. Initiating, formulating, and coordinating foreign economic policy and action, and the implementing of such policy and action determinations.
2. Providing an economic policy information service for editing and publishing periodic and special economic reports and summaries of activities and policy positions of the economic offices of the Department, for the use and guidance of the Department, the Foreign Service, and other interested Government agencies.
3. Forecasting and bringing to the attention of high-level interdepartmental committees for consideration and policy recommendations problems arising in the Federal agencies that involve United States foreign economic and social relations.
4. Providing departmental representation on foreign economic and social affairs in international conferences and in connection with the negotiation and implementation of international treaties and agreements.

The Assistant Secretary participates at the highest level with the Secretary and Under Secretary in the formulation of the United States foreign policy and in the administration of the Department and the Foreign Service.

**Position title: Assistant Secretary of State, Assistant Secretary for Congressional Relations.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Ernest A. Gross. State: New York.

Responsibilities: The Assistant Secretary for Congressional Relations collaborates closely with the Secretary, Under Secretary, and Assistant Secretaries on major policy and program considerations. He advises and assists the Secretary and Under Secretary in determining current and long-range foreign policy.

The Assistant Secretary is responsible for the maintenance of liaison with the Congress and the Bureau of the Budget in connection with the development and implementation of United States foreign policy. His authority includes directing consultation with Members of the Congress concerning foreign policy developments, legislative proposals and related matters, including testimony before congressional committees; correspondence with Members of the Congress and with Government officials and private individuals concerning congressional matters; development of the Department's legislative program and the presentation of legislative proposals, and treaties and other international agreements to the Congress; and maintenance of liaison with the Bureau of the Budget in connection with legislative reports to Congress, proposals for legislation and related matters.

**Position title:** Assistant Secretary of State, Assistant Secretary for Public Affairs.

Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: George V. Allen. State: North Carolina.

**Responsibilities:** The Assistant Secretary for Public Affairs serves as the principal adviser to the Secretary of State with regard to the development and implementation of (1) international information and educational exchange programs as authorized by Public Law 402; and (2) domestic information programs designed to inform the American public concerning foreign relations.

The area of responsibility of the Assistant Secretary for Public Affairs includes the following: United States participation in UNESCO, including the furnishing of secretariat services to the National Commission; liaison with the United States Advisory Commission on Information and the United States Advisory Commission on Educational Exchange and the furnishing of secretariat services to these Commissions; the preparation and distribution of material regarding the American way of life to foreign audiences through the media of radio, motion pictures, press, photographs, film strips, and publications, including the broadcast operations of the Voice of America, the issuance of daily State Department Wireless Bulletin, and the publication of the Russian-language magazine *Amerika*; the cooperation with other nations in the interchange of knowledges and skills, the rendering of technical services, and the interchange of developments in education, the arts, and sciences, including the furnishing of a secretariat for the Interdepartmental Committee on Scientific and Cultural Cooperation, the maintenance of overseas libraries and institutes, the administration of exchange of persons and programs under the Fulbright Act and other laws; the direction of domestic public information programs designed to furnish the American people with information on United States foreign policy, and to provide the Department with accurate knowledge and understanding of public opinion with regard to foreign policy issues; the direction of a program of historical research studies in the field of American foreign policy and American diplomatic relations; and the direction of the Department's publications program, which includes the publication of the annual volumes entitled "Foreign Relations of the United States," the State Department Bulletin, and other periodicals.

He directs the relations of the Department of State with other Federal agencies on all above matters.

He is responsible for stimulating and facilitating the activities of public and private agencies in carrying out the above responsibilities.

**Position title:** Assistant Secretary of State, Assistant Secretary for Administration. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: John E. Peurifoy. State: Virginia.

**Responsibilities:** The Assistant Secretary for Administration advises and assists the Secretary in the development and formulation of over-all organizational, administrative, and budgetary policies for the Department, the Foreign Service, and such special programs as may be vested in the Department of State or the Secretary by statute, Executive order, or otherwise; for executing and implementing policies so developed; and for providing the necessary facilities to implement policies approved by the Secretary.

In these respects, the Assistant Secretary is responsible for the effective performance of the following functions:

1. Supervision and control over the organization of the Department, the Foreign Service, and special programs, and their component offices, divisions, and other units.

2. Exercise of the authority vested in the Secretary of State or the Department of State, by statute, Executive order, or otherwise, to allocate funds made available to the Secretary or the Department.

3. Preparation of annual budget estimates; and supervision over the use of and accounting for appropriated funds, in accordance with congressional limitations, administrative objectives, and policies of the President and the Secretary.

4. Direction of personnel management of the Department, the Foreign Service, and the special programs, including training and educational programs for the Foreign Service and departmental personnel.

5. Operation of the procurement, communication, cryptographic, transportation, and language interpretation and translation services.

6. Provision, maintenance, and operation of the physical establishments in the United States and abroad.

7. Provision of physical and personnel security within the Department, the Foreign Service, and the special programs.

8. Protection of American interests through administration of passport, visa, and munition-control laws and programs, and other pertinent laws.

The Assistant Secretary participates at the highest level with the Secretary and Under Secretary in the formulation of the United States foreign policy and in the administration of the Department and the Foreign Service.

**Position title:** Assistant Secretary of State, Assistant Secretary of State for Political Affairs. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Dean Rusk.<sup>25</sup> State: Virginia.

**Responsibilities:** The Assistant Secretary of State for Political Affairs advises and assists the Secretary in the formulation and coordination of policy and action for the conduct of United States relations with the various nations of the world, taking the initiative in affairs primarily political, and, in other affairs, stimulating the functional offices of the Department and other Federal agencies charged with primary responsibility in specialized fields.

He controls the activities of and gives final approval to policy recommendations emanating from the several offices established on a geographical basis engaged in:

1. Developing basic policies to govern the conduct of United States relations with countries and areas under their respective jurisdiction.

2. Reviewing and evaluating programs and activities of other offices of the Department and other Federal agencies as they affect the political situation in a particular area.

3. Directing and instructing United States Foreign Service establishments in the countries and areas within their jurisdiction.

4. Maintaining close relationships with appropriate foreign diplomatic missions in the United States and at international conferences.

The Assistant Secretary participates at the highest level with the Secretary and Under Secretary in the formulation of United States foreign policy and in the administration of the Department and the Foreign Service.

**Position title:** Assistant Secretary of State, Assistant Secretary of State for United Nations Affairs. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbent: Dean Rusk.<sup>25</sup> State: Virginia.

**Responsibilities:** The Assistant Secretary of State for United Nations Affairs advises and assists the Secretary in the formulation and coordination of policy and action with respect to programs for United States participation in United Nations and other international organizations. It is his responsibility to see that the most effective use is derived of the machinery of international organizations in the conduct of foreign affairs, through the development and presentation of constructive policies and programs to the United Nations and other international bodies.

He is responsible for supervising the work of the Office of United Nations Affairs, which in collaboration with other offices of the Department, is responsible for the following functions:

(a) Initiation and development, recommendation, and execution of United States policy on problems of concern to the United Nations and other international organizations, with particular reference to United States commitments as a member of the United Nations.

<sup>25</sup> Mr. Rusk is temporarily serving in a dual capacity.



(b) Reviews the development and execution of the foreign policy of the United States from the viewpoint of its United Nations or multilateral aspects.

(c) Interprets the provisions of the United Nations Charter for use by the Department, other Federal agencies, and United States representatives to the United Nations.

(d) Preparation of instructions to United States representatives to the United Nations and its related international specialized and regional organizations.

(e) Implementation by the United States of decisions and recommendations of the United Nations and other international organizations.

(f) Dissemination of information to the Department, to the field, and through the Office of Public Affairs, to the public regarding the United States participation in the United Nations and other international organizations assigned to the jurisdiction of the Office.

The Assistant Secretary participates at the highest level with the Secretary and Under Secretary in the formulation of United States foreign policy and its implementation through membership in various international organizations.

**Position title: Counselor of the Department of State.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1948, by Public Law 900 of Eightieth Congress.

Statutory salary of \$10,000 established May 18, 1937, by Public Law 91 of Seventy-fifth Congress.

Proposed salary: \$15,000.

Incumbent: Charles E. Bohlen. State: District of Columbia.

**Responsibilities:** The counselor serves as close personal adviser to the Secretary of State in the entire field of foreign relations, assisting the Secretary in the consideration and solution of major problems of foreign relations, and specializing on problems of a highly critical nature. He regularly attends international meetings and conferences with the Secretary. Generally, his assignments include those matters as are referred to him from time to time by the Secretary which require uninterrupted consideration and investigation, and involve advanced policy or other questions.

**Position title: Member, United States Tariff Commission.** Section of bill: 4.

Present salary: \$10,000.

Proposed salary: \$16,000.

Incumbents: Oscar B. Ryder, Chairman, Virginia; Lynn R. Edminster, Vice Chairman, Illinois; Edgar B. Brossard, Utah; E. Dana Durand, Minnesota; John P. Gregg, Oregon; George McGill, Kansas.

**Responsibilities:** The six members of the Tariff Commission, acting as a unit, have responsibility for investigating and reporting to the President and the Congress on the operation and effects of United States customs laws (and proposed legislation regarding them), on import competition with domestic industry and on the commercial policies of the United States and of foreign countries; for finding differences in costs of production here and abroad upon the basis of which the President may proclaim changes in tariff rates; for determining whether imports are competing unfairly and injuriously with domestic industry and, if so, recommending to the President appropriate action; for finding for each article listed for negotiations in a trade agreement the lowest duty which could be imposed without causing or threatening serious injury to the domestic industry concerned; for determining whether, with respect to an article on which a concession has been made in a trade agreement, imports are causing or threatening serious injury to the domestic industry and, if so, recommending to the President appropriate action; for determining whether imports are interfering with any program of the Department of Agriculture and, if so, recommending to the President what action should be taken to prevent such interference; for reporting annually on the operations of the trade-agreements program; for determining whether imports of Philippine articles which have preferential free entry are interfering with domestic industry and, if so, to recommend a quota which the President has authority to impose. In some cases the Commission is required to hold public hearings; in other cases it may do so at its discretion.

The Commission has a number of other duties but those mentioned above include the major ones. In carrying out its duties, each Commissioner participates in all the findings and decisions. Each Commissioner also participates in the planning, and in the review and revision, of every report issued.

Mr. Ryder, as Chairman of the Commission, in addition to his duties as a member of the Commission, presides over the Commission meetings and, under the direction of the Commission, has charge of the general administrative activities of the Commission.

Size of organization:

Number of employees, 235.

Estimated annual expenditures for fiscal year 1949, \$1,270,300.

**Position title:** Member, Board of Directors, Tennessee Valley Authority. Section of bill: 4.

**Present salary:** \$10,000. **Date salary established:** May 18, 1933, by Public Law 17 of Seventy-third Congress.

**Proposed salary:** \$16,000.

**Incumbents:** Gordon R. Clapp, Tennessee; James P. Pope, Idaho; Harry A. Curtis, Tennessee.

**Responsibilities:** The members of the Board of Directors of the Tennessee Valley Authority are responsible for the administration of all the agency's activities. They provide administrative leadership and policy guidance for the organization, establish the administrative framework, develop plans and programs for carrying out the provisions of the basic legislation, and authorize or approve all activities and expenditures. They do not engage in detailed administrative supervision, the execution of all programs and activities being confided to a general manager who operates under the direction of the Board.

The Board administers a broad program for the integrated development of the natural resources of the Tennessee Valley area, comprising approximately 40,000 square miles and including parts of seven States. The program includes the development of the water resources of the area for navigation, flood control, and power purposes, and programs for the development of the agricultural, forestry, minerals, recreation, and other regional resources, including the operation of large-scale experimental works for the production of new and improved fertilizer materials in peacetime and munitions in time of war. The TVA water-control system includes 28 major dams and reservoirs, including 9 dams on the main river which provide a 9-foot navigable channel for the entire length of the Tennessee River, a distance of 630 river miles. The power system, the largest integrated system in the country, includes 2,285,502 kilowatts of installed capacity in hydro plants, 444,900 kilowatts in steam plants, and 7,000 miles of high-tension transmission lines.

TVA sells power at wholesale to 144 municipalities and cooperatives, who in turn sell power at retail to approximately 950,000 residential, commercial, and industrial consumers. In fiscal year 1948 TVA sold over 11½ billion kilowatt-hours of electricity and received gross power revenues of more than \$46,500,000; 370,000 tons of fertilizer materials were sold in that year and revenues from this source were more than \$14,500,000.

Size of organization:

Number of employees, 13,205 as of March 31, 1949.

Estimated annual expenditures for fiscal year 1949, \$113,237,000.

**Position title:** Secretary of the Treasury. Section of bill: 1.

**Present salary:** \$15,000. **Date salary established:** March 4, 1925, by Public Law 624 of Sixty-eighth Congress.

**Proposed salary:** \$25,000.

**Incumbent:** John W. Snyder. **State:** Missouri.

**Responsibilities:** The Secretary of the Treasury is responsible for the management of the national finances. The execution of his responsibilities involves the following duties: The supervision and over-all direction of the bureaus, offices, and divisions of the Treasury Department which are charged with (1) the collection of the revenue; (2) the management of the public debt; (3) the marketing of United States securities; (4) the maintenance of the financial accounts of the Government; (5) the receipt and disbursement of public funds, and accounting therefor; (6) the publication of statements showing the financial condition of the Government; (7) the formulation and execution of policies and programs in the international financial and monetary field which require collaboration with other governments; (8) the studying of the national economy in order that recommendations may be made for the improvement and protection of the revenue; (9) the printing of currency and securities; (10) the minting of coins; (11) the protection of the President and the suppression of counterfeiting, forging, and alteration of obligations, currency, securities, and coins of the United

States; (12) the procurement and stock piling of strategic and critical materials and the purchase, warehousing, and distribution of supplies for use by Federal agencies; (13) the enforcement of tariff and export and import control acts, and the suppression of smuggling; (14) the regulation and inspection of the national banking system; (15) the protection and safety of vessels at sea and the saving of lives; (16) the enforcement of navigation laws, and those pertaining to the registry, enrollment, and licensing of vessels; (17) the inspection of vessels and the signing on of crews; (18) the suppression of illicit traffic in narcotics and the regulation of the distribution of narcotic drugs; (19) the regulation of the alcoholic beverage industry and the suppression of illicit distilleries; and (20) such other duties as may be assigned from time to time by the President of the United States.

The financial integrity of the country depends upon the proper discharge of these responsibilities, therefore, they are important to the national economy.

Listed below are the principal bureaus and divisions comprising the Treasury Department which are under the supervision and direction of the Secretary of the Treasury: Bureau of Internal Revenue, Coast Guard, Office of Comptroller of the Currency, Bureau of Engraving and Printing, Bureau of the Mint, Bureau of Narcotics, Secret Service, Bureau of Federal Supply, Bureau of Customs, United States Savings Bonds Division, Bureau of Accounts, Bureau of Public Debt, Office of the Treasurer of the United States, and Office of International Finance.

The Secretary of the Treasury is ex officio a member of the following boards and committees: Chairman, board of trustees, endowment fund of the American Red Cross; Chairman, Library of Congress Trust Fund Board; Chairman, National Advisory Council on International Monetary and Financial Problems; Chairman, Contract Settlement Advisory Board; United States Governor of the International Monetary Fund and International Bank for Reconstruction and Development; Managing Trustee, Board of Trustees of the Federal old-age and survivors insurance trust fund; Member, National Park Trust Fund Board; Board of Trustees, Postal Savings System; Board of Directors, Federal Farm Mortgage Corporation; Advisory Board, Export-Import Bank of Washington; Joint Committee on Reduction of Nonessential Federal Expenditures; Foreign-Trade Zones Board; National Munitions Control Board; Smithsonian Institution; Board of Trustees, National Gallery of Art; National Archives Council; Foreign Service Buildings Commission; National Security Resources Board; Trustee, Franklin D. Roosevelt Library.

Size of organization:

Number of employees, 93,537.

Estimated annual expenditures for fiscal year 1949, \$795,914,855.

In addition, permanent indefinite appropriations of \$11,923,307,408 for fiscal year 1949.

**Position title:** Under Secretary of the Treasury. Section of bill: 2 (a).

**Present salary:** \$10,330. **Date salary established:** April 4, 1924, by Public Law 68 of Sixty-eighth Congress.

**Proposed salary:** \$20,000.

**Incumbent:** Edward H. Foley, Jr. **State:** New York.

**Responsibilities:** The Under Secretary of the Treasury assists the Secretary of the Treasury in the administration of the affairs of the Department and participates in the formulation of over-all policies of the Department. He exercises direct supervision over the bureaus and divisions listed below and performs such other duties as may be prescribed by the Secretary. In the absence of the Secretary, the Under Secretary assumes management of the entire Department. (See statement of duties of the Secretary of the Treasury.)

The execution of these responsibilities and duties requires that the Under Secretary render decisions regarding the operation of a wide range of activities which include: (1) large industrial activities; (2) tremendous procurement and warehousing enterprise; (3) the regulation and inspection of national banks; (4) law enforcement; (5) a maritime agency which is responsible for aids to navigation, assistance to distressed vessels, and the rescue of shipwreck victims; and (6) the enrollment of agents and attorneys to practice before the Treasury Department.

The Under Secretary exercises direct supervision over the following organizational units of the Department: United States Coast Guard, United States Secret Service, Bureau of the Mint, Office of the Chief Coordinator, Treasury Enforcement Agencies, Bureau of Federal Supply, Bureau of Engraving and Printing,



## 102 INCREASING COMPENSATION OF HEADS OF DEPARTMENTS

Bureau of Narcotics, Office of Comptroller of the Currency, Committee on Practice.

The Under Secretary serves as the representative of the Secretary of the Treasury or as his alternate on the following committees or boards: National Security Resources Board, Board of Trustees, National Gallery of Art, Foreign Service Buildings Commission, Air Coordinating Committee, Interdepartmental Rubber Committee, Inter-Agency Committee on the Development of Alaska, Shipping Coordinating Committee.

In addition, the Under Secretary has been appointed by the President as a member of the Board of Governors of the American National Red Cross and has been designated as its treasurer.

Size of organization:

Number of employees: Civilian, 16,979; military, 22,856.

Estimated annual expenditures for fiscal year 1949, \$466,893,355.

**Position title: Assistant Secretary of the Treasury.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: May 10, 1934, by Public Law 216 of Seventy-third Congress.

Proposed salary: \$15,000.

Incumbent: John S. Graham. State: North Carolina.

**Responsibilities:** The Assistant Secretary of the Treasury assists the Secretary of the Treasury in the administration of the affairs of the Department and participates in the formulation of the policies of the Department. He exercises supervision over the bureau and divisions listed below and, in addition, undertakes such assignments as the Secretary may direct with respect to the administration of the Bureau of Internal Revenue. In the absence of the Secretary and the Under Secretary, the Assistant Secretary serves as Acting Secretary of the Treasury and assumes management of the entire Department. (See statement of duties for the Secretary of the Treasury.)

The execution of these duties requires that the Assistant Secretary render decisions regarding the management policies of organizations charged with the responsibility of (1) the collection of the revenue; (2) the survey of tax problems of the Federal Government to devise methods of meeting revenue requirements and to develop methods of adjusting the tax system to changing economic conditions; and (3) the promotion and sale activities relating to United States savings bonds and savings stamps.

The Assistant Secretary of the Treasury exercises direct supervision over the following organizational units of the Department: Bureau of Customs, Division of Tax Research, United States Savings Bonds Division.

Size of organization:

Number of employees, 9,095.

Estimated annual expenditures for fiscal year 1949, \$54,775,000.

**Position title: Assistant Secretary of the Treasury.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: May 10, 1934, by Public Law 216 of Seventy-third Congress.

Proposed salary: \$15,000.

Incumbent: William McChesney Martin, Jr. State: New York.

**Responsibilities:** The Assistant Secretary of the Treasury assists the Secretary of the Treasury in the administration of the affairs of the Department and participates in the formulation and execution of policies and programs in the international financial and monetary field. He exercises direct supervision over the Office of International Finance and the operations of the United States Exchange Stabilization Fund. In addition, he performs such other duties as may be prescribed by the Secretary of the Treasury. In the absence of the Secretary, the Under Secretary, and the Senior Assistant Secretary, he serves as Acting Secretary of the Treasury. (See statement for Secretary.)

The execution of this responsibility requires that the Assistant Secretary advise the Secretary and render decisions regarding policies, programs, and operations arising in connection with international monetary and financial affairs. These duties include: (1) Serving as the Secretary's alternate on the National Advisory Council on International Monetary and Financial Problems, which has the statutory function of coordinating the policies and operations of United States representatives on the International Monetary Fund and the International Bank, and of United States Government agencies involved in lending or foreign financial, exchange, or monetary transactions; (2) supervision of the administration and

operation of the Exchange Stabilization Fund and stabilization agreements; (3) advising the Secretary regarding the financial aspects of international treaties, agreements, organizations, or operations in which the United States Government participates; (4) participation in negotiations with foreign governments with respect to the foregoing responsibilities; and (5) maintains liaison with foreign governments and with the State Department and other interested United States Government agencies with reference to international financial and monetary matters.

In addition to his other responsibilities the Assistant Secretary serves on the following as a representative of the Treasury: National Advisory Council on International Monetary and Financial Problems, Advisory Committee on Occupied Area Affairs, Advisory Committee on Requirements, Interdepartmental Committee on Scientific and Cultural Cooperation.

Size of the organization:

Number of employees, 162.

Estimated annual expenditures for fiscal year 1949, \$1,200,000.

**Position title: Fiscal Assistant Secretary of the Treasury.** Section of bill: 5 (a). Present salary: \$10,330. Date salary established: June 30, 1940, by Reorganization Plan No. III of 1940.

Proposed salary: \$15,000.

Incumbent: Edward F. Bartelt. State: Illinois.

Responsibilities: The Fiscal Assistant Secretary exercises supervision over the administration of financing operations; supervises the fiscal service established in the Treasury effective June 30, 1940, pursuant to Reorganization Plan No. III; and through the Commissioner of Accounts supervises the administration of the accounting functions and activities in the Treasury Department. The execution of these responsibilities involves (1) the supervision of the three bureaus listed below; (2) making contacts with the departments, boards, corporations, and other branches of the Government with respect to their financial operations; coordinating such operations with those of the Treasury; representing the Secretary in such contacts in a liaison capacity; and keeping the Secretary fully informed at all times; (3) supervision of the preparation of periodical estimates of the future cash position of the Treasury for use of the Department in connection with its financing and the preparation of calls for the withdrawal of funds in special depositories to meet current expenditures; (4) direction of the transfer of governmental funds between the Federal Reserve banks when necessary; and (5) direction of fiscal agency functions of the Federal Reserve banks.

The Fiscal Assistant Secretary exercises direct supervision over the following organizational units of the Department: Bureau of Accounts, Bureau of the Public Debt, Office of the Treasurer of the United States.

The Fiscal Assistant Secretary serves on the following interdepartmental committees: Interdepartmental Savings Bond Committee (Chairman); representative of the Secretary on a joint committee, composed of the Secretary of the Treasury, the Comptroller General of the United States, and the Director of the Budget, for the purpose of developing policies and procedures for the improvement of the accounting systems of the Government.

The Fiscal Assistant Secretary was designated by the President as United States representative on the Fiscal Commission of the Economic and Social Council of the United Nations.

Size of organization:

Number of employees (as of Mar. 31, 1949), 12,471.

Estimated annual expenditures for fiscal year 1949, \$70,648,000.

(Does not include \$4,250,000 allotted to the United States Savings Bonds Division.)

**Position title: Commissioner of Internal Revenue.** Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: February 24, 1919, by Public Law 254 of Sixty-fifth Congress.

Proposed salary: \$15,000.

Incumbent: George J. Schoeneman. State: Rhode Island.

Responsibilities: The Commissioner of Internal Revenue is responsible for the assessment and collection of all internal-revenue taxes and other miscellaneous taxing acts of Congress, and the assessment of taxes and penalties on liquors, the administration of the Federal Alcohol Administration Act, and the suppression of illicit distilling. The execution of these duties and responsibilities involves (1) the issuance of regulations and instructions, tax forms, etc.; (2) the collection of



taxes due; (3) the audit and review of tax returns; (4) the inspection of taxpayers, records; (5) the apprehension of willful evaders of the tax laws and recommendation that they be prosecuted; and (6) the settlement of disputed assessments, either by negotiation or litigation.

The affairs of the Bureau of Internal Revenue are administered through 142 principal field offices scattered throughout the United States. It is estimated that the Bureau of Internal Revenue will collect \$43,264,000,000 in taxes during the fiscal year 1950.

Size of organization:

Number of employees (as of March 31, 1949), 54,173.

Estimated annual expenditures for fiscal year 1949, \$193,588,500.

**Position title:** Commissioner of Customs. Section of bill: 5 (a).

Present salary: \$10,330. Date salary established: July 3, 1930, by Public Law 528 of Seventy-first Congress.

Proposed salary: \$15,000.

Incumbent: Vacancy.

**Responsibilities:** The Commissioner of Customs administers the tariff and related laws, the laws pertaining to the entrance, clearance, documentation, and admeasurement of vessels, and the laws pertaining to the entrance and clearance of aircraft. The execution of these responsibilities involves the issuance of regulations and the supervision of the following functions of the customs service: (1) enter and clear vessels; (2) supervise the discharge of cargo; (3) ascertain the quantities of imported merchandise, appraise and classify such merchandise, and assess and collect the duties thereon; (4) control the customs warehousing of imported merchandise; (5) enforce customs and other laws by patrolling the international borders and inspecting international traffic by vessel, highway, railway, and air; (6) review protests against assessments of duties; (7) determine and certify for payment the amount of draw-back due upon the exportation of articles manufactured or produced from duty-paid or tax-paid imports; (8) prevent smuggling of contraband merchandise and the release of prohibited articles; (9) prevent and detect undervaluations and frauds on the customs revenue; (10) apprehend violators of the customs laws; (11) enforce the Antidumping Act, and perform certain duties under the Foreign Trade Zones Act; (12) administer the navigation laws and related laws pertaining to the registry, enrollment and licensing of vessels, including the issuance of commissions to yachts and the assignment of signal letters; the measurement of vessels; the collection of tonnage duties and tolls; the entry and clearance of aircraft, the operation of vessels in the coasting and fishing trades and limitation of the use of foreign vessels in waters under the jurisdiction of the United States; the recording of sales, conveyances, and mortgages of vessels; and the protection of stevedore passengers; (13) administer the laws governing the remission and mitigation of fines, penalties, and forfeitures incurred under laws governing the foregoing matters; and (14) cooperates with other departments and agencies of the Government in the collection of taxes, fees, and other charges, and in the enforcement of preventive, sanitary, and other laws under their respective administrations relating principally to persons and articles coming into this country and in some cases to articles sent out of the country.

The affairs of the customs service are administered through 46 district offices located throughout the United States. Customs receipts for the fiscal year 1948 amounted to \$421,723,028. Entries of merchandise imported into the United States during the same period of time amounted to 3,771,628.

The Commissioner of Customs serves as chairman of the Committee on Establishment of Airports of Entry.

Size of organization:

Number of employees (as of March 31, 1949), 8,550.

Estimated annual expenditures for fiscal year 1949, \$50,400,000.

**Position title:** Administrator of Veterans' Affairs. Section of bill: 2 (a).

Present salary: \$12,000. Date salary established: July 3, 1930, by Public Law 536 of Seventy-first Congress.

Proposed salary: \$20,000.

Incumbent: Carl R. Gray, Jr. State: Wisconsin.

**Responsibilities:** Under the direction of the President, the Administrator of Veterans' Affairs is charged by statute with the control, direction, and management of the various programs authorized by statute providing benefits for veterans and the dependents of veterans of the military and naval forces of the United States. There are at present approximately 18,668,000 living veterans.



The magnitude of these responsibilities is revealed by the following examples of major programs: Insurance—The amount of insurance in force is larger than that of any other organization; the insurance in force is more than one-fourth of all ordinary insurance in force in the United States; United States Government life insurance with 505,419 policies in force with a face value of \$2,201,411,667 on February 28, 1949, and national service life insurance with 7,193,000 policies in force with a face value of \$41,416,000,000 on March 31, 1949. Claims (compensation and pension)—With 2,898,130 living and deceased veterans' cases involved in current awards beginning with dependents of deceased veterans of the Mexican War, with a gross expenditure of \$162,917,103 for the month of March 1949. Vocational rehabilitation for service-connected disabilities, and educational training under the Servicemen's Readjustment Act of 1944, as amended—With 219,666 in training at the end of March in the first group and 2,325,930 in training in the latter group (of all students enrolled in colleges and universities between 40 and 50 percent are beneficiaries under these programs) the gross expenditure certified for the month of March 1949 on these two training programs totaled \$307,740,269. Hospitalization and domiciliary care—With the largest hospital program in the world under a single agency, with 127,966 authorized beds, with 126 hospitals and 15 domiciliary units, and 110,821 VA patients receiving hospitalization in VA and non-VA hospitals in February 1949, and 15,983 veterans domiciled in VA homes during the same month; during January 1949 there were 529,235 out-patient medical examinations for treatment or rating purposes and 416,400 out-patient treatments (medical) afforded, the medical program under the VA Department of Medicine and Surgery has produced a definite leadership in the advance of medical care and treatment. Readjustment allowances—Through February 1949 paid \$2,896,151,000 plus \$552,983,000 for self-employed. Loan guaranty program (homes, farms, and business loans)—1,540,227 loans involving \$3,965,073,000 in guaranty commitments.

Size of organization:

Number of employees, 190,898 average.

Estimated annual expenditures for fiscal year 1949, \$6,860,000,000.

**Position title:** Deputy Administrator of Veterans' Affairs. Section of bill: 3 (a). Present salary: \$10,330. Date salary established: July 11, 1948, by Public Law 900 of Eightieth Congress.

Proposed salary: \$18,000.

Incumbent: Omer W. Clark. State: Ohio.

Responsibilities: The Deputy Administrator of Veterans' Affairs, as the term implies, is the principal assistant of the Administrator of Veterans' Affairs. He takes independent action in the name of the Administrator with respect to all problems affecting the Veterans' Administration which do not require the Administrator's personal attention. During the absence of the Administrator he acts as Administrator in all matters affecting the Veterans' Administration within the limits of the authority delegated to him by the Administrator.

The magnitude of these responsibilities is revealed by the following examples of major programs: Insurance—The amount of insurance in force is larger than that of any other organization; the insurance in force is more than one-fourth of all ordinary insurance in force in the United States; United States Government life insurance with 505,419 policies in force with a face value of \$2,201,411,667 on February 28, 1949, and national service life insurance with 7,193,000 policies in force with a face value of \$41,416,000,000 on March 31, 1949. Claims (compensation and pension)—with 2,898,130 living and deceased veterans' cases involved in current awards beginning with dependents of deceased veterans of the Mexican War, with a gross expenditure of \$162,917,103 for the month of March 1949. Vocational rehabilitation for service-connected disabilities, and educational training under the Servicemen's Readjustment Act of 1944, as amended—With 219,666 in training at the end of March in the first group and 2,325,930 in training in the latter group (of all students enrolled in colleges and universities between 40 and 50 percent are beneficiaries under these programs) the gross expenditure certified for the month of March 1949 on these two training programs totaled \$307,740,269. Hospitalization and domiciliary care—With the largest hospital program in the world under a single agency, with 127,966 authorized beds, with 126 hospitals and 15 domiciliary units, and 110,821 VA patients receiving hospitalization in VA and non-VA hospitals in February 1949, and 15,983 veterans domiciled in VA homes during the same month; during January 1949 there were 529,235 out-patient medical examinations for treatment or rating purposes and 416,400 out-patient treatments (medical) afforded, the medical program under the VA Department of Medicine and Surgery has produced a definite leadership in the advance of medical

care and treatment. Readjustment allowances—Through February 1949 paid \$2,896,151,000 plus \$552,983,000 for self-employed. Loan guaranty program (homes, farms, and business loans)—1,540,227 loans involving \$3,965,073,000 in guaranty commitments.

Size of organization:

Number of employees, 190,898 average.

Estimated annual expenditures for fiscal year 1949, \$6,860,000,000.

**Position title: Administrator, War Assets Administration.** Section of bill: 5 (a). Present salary: \$12,000. Date salary established: September 18, 1945, by Public

Law 181 of Seventy-ninth Congress.<sup>26</sup>

Proposed salary: \$15,000.

Incumbent: Jess Larson. State: Oklahoma.

Responsibilities: 1. As provided by the Surplus Property Act of 1944, as amended, the War Assets Administrator has final responsibility in the general supervision, care, maintenance, and disposition of all domestic surplus property, both real and personal, declared prior to July 1, 1948. Under this program, property has been disposed of which originally cost the Government approximately \$25,000,000,000. The total inventory yet remaining to be disposed of is \$2,208,000,000. In carrying out his responsibilities, the Administrator is subject to all applicable provisions of the Surplus Property Act and the laws and regulations issued by Government agencies which have authority to control surplus inventory declared prior to July 1, 1948. In finally approving terms of disposal, the Administrator is called upon to pass judgment upon all forms of credit, financing, and analyzing of property values. Likewise, he is called upon to exercise final authority on what constitutes aid to independent enterprise and small business, impacts upon domestic markets, and the weighing of claims of various priority claimants. He also has supervisory control over the surplus-disposal activities of the inventory described herein which has been assigned to the Farm Credit Administration and the Federal Works Agency for disposal.

Size of organization:

Number of employees: 4,709 (WAA only).

Estimated annual expenditures for fiscal year 1949: \$80,000,000 (estimated obligations).

**Position title: Member, War Claims Commission.** Section of bill: 5 (a).

Present salary: \$12,000. Date salary established: July 3, 1948, by Public Law 896 of Eightieth Congress.

Proposed salary: \$15,000.

Incumbents: Three vacancies (members not yet appointed).

Responsibilities: As a member of a three-man Commission the incumbent will share responsibility for the performance of the following major functions:

1. Inquire into and report to the President, who will in turn submit such report to Congress, with respect to war claims, except those that may be adjudicated under Public Law 896, *supra*, arising out of World War II. Such report shall include the categories and types of claims to be considered, the legal and equitable bases therefor, the administrative method by which they should be considered, any applicable priorities or limitations, appropriate recommendations or legislative proposals, and the extent to which such claims have been or may be satisfied under international agreements or domestic or foreign laws. The recommendations of the Commission contained in this report will have a definite bearing on the Government's policies for the liquidation of claims arising out of World War II, and these policies may have an important impact upon the national economy.

2. Receive, adjudicate, and certify for payment by the Treasury out of a trust fund created by Public Law 896 from the proceeds of alien enemy property three classes of claims as follows:

(a) Claims of certain civilian American citizen internees for detention benefits.

(b) Claims of certain prisoners of war for compensation for food deficiencies.

(c) Claims of religious organizations or personnel for reimbursement for certain relief supplies and services furnished members of the United States armed forces or to certain civilian American citizens after December 6, 1941, and before August 15, 1945.

The foregoing three classes of claims are estimated to number approximately 127,000 and to involve approximately \$16,000,000. As the Commission has not as yet been established, procedures for implementation of the foregoing responsibilities have not been determined.

<sup>26</sup> Reference should be made to Executive Order 9689, dated January 31, 1946, and Reorganization Plan No. 1 of 1947.







81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

[Report No. 535]

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 1949

Mr. MILLER of California introduced the following bill; which was referred to the Committee on Post Office and Civil Service

MAY 9, 1949

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

---

## A BILL

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1     *Be it enacted by the Senate and House of Representa-*  
2     *tives of the United States of America in Congress assembled,*  
3     That the rate of basic compensation of the head of each exec-  
4     utive department and of the Secretary of Defense shall be  
5     \$25,000 per annum.

6     SEC. 2. (a) The rate of basic compensation of the  
7     Chairman of the Atomic Energy Commission, the Adminis-  
8     trator for Economic Cooperation, the Comptroller General  
9     of the United States, the Chairman of the Council of Eco-  
10    nomic Advisers, the Director of the Bureau of the Budget,  
11    the Chairman of the National Security Resources Board,

1 the Federal Security Administrator, the Administrator of  
2 Veterans' Affairs, the Chairman of the Board of Governors  
3 of the Federal Reserve System, each Under Secretary of  
4 an executive department, the Assistant to the Attorney  
5 General, the Solicitor General of the United States, and  
6 the First Assistant Postmaster General shall be \$22,500  
7 per annum.

8 (b) Section 105 of title 3 of the United States Code is  
9 amended to read as follows:

10 "COMPENSATION OF SECRETARIES AND EXECUTIVE,  
11 ADMINISTRATIVE, AND STAFF ASSISTANTS TO  
12 PRESIDENT

13 "SEC. 105. The President is authorized to fix the com-  
14 pensation of the six administrative assistants authorized to  
15 be appointed under section 106 of this title, of the Executive  
16 Secretary of the National Security Council, and of five other  
17 secretaries or other immediate staff assistants in the White  
18 House Office as follows: Two at rates not exceeding \$22,500  
19 per annum, three at rates not exceeding \$20,000 per annum,  
20 and seven at rates not exceeding \$17,500 per annum."

21 (c) The first sentence of section 106 of title 3 of the  
22 United States Code is amended to read as follows: "The  
23 President is authorized to appoint not to exceed six admin-  
24 istrative assistants and to fix their compensation in accordance  
25 with section 105 of this title."



1        SEC. 3. (a) The rate of basic compensation of the  
 2        Housing and Home Finance Administrator, the Federal  
 3        Works Administrator, the members (other than the Chair-  
 4        man) of the Board of Governors of the Federal Reserve  
 5        System, the members (other than the Chairman) of the  
 6        Council of Economic Advisers, the members (other than the  
 7        Chairman) of the Atomic Energy Commission, the Public  
 8        Printer, the Librarian of Congress, the Federal Mediation  
 9        and Conciliation Director, the Chairman of the Munitions  
 10        Board, the Chairman of the Research and Development  
 11        Board, the Director of Central Intelligence, the Deputy  
 12        Administrator for Economic Cooperation, the Assistant  
 13        Comptroller General of the United States, the Assistant Di-  
 14        rector of the Bureau of the Budget, the Executive Assistant  
 15        Administrator of Veterans' Affairs, and the Assistant Federal  
 16        Security Administrator shall be \$20,000 per annum.

17        (b) The first sentence of section 603 of title 28 of  
 18        the United States Code (relating to the salary of the  
 19        Director of the Administrative Office of the United States  
 20        Courts) is amended to read as follows:

21        "The Director shall receive a salary of \$20,000 a  
 22        year."

23        SEC. 4. (a) The rate of basic compensation of the  
 24        members of the Home Loan Bank Board; the Public Hous-  
 25        ing Commissioner; the Federal Housing Commissioner; the

1 Housing Expediter; the War Assets Administrator; the  
 2 Director of Selective Service; the Director of Aeronautical  
 3 Research of the National Advisory Committee for Aeronau-  
 4 ties; the Archivist of the United States; of all members  
 5 of the Civil Aeronautics Board; the Displaced Persons Com-  
 6 mission; the Board of Directors of the Export-Import Bank  
 7 of Washington; the Federal Communications Commission;  
 8 the Board of Directors of the Federal Deposit Insurance  
 9 Corporation (including the Comptroller of the Currency);  
 10 the Federal Power Commission; the Federal Trade Com-  
 11 mission; the Interstate Commerce Commission; the Na-  
 12 tional Labor Relations Board; the National Mediation  
 13 Board; the Railroad Retirement Board; the Board of Direc-  
 14 tors of the Reconstruction Finance Corporation; the Se-  
 15 curities and Exchange Commission; the Board of Directors  
 16 of the Tennessee Valley Authority; the Civil Service Com-  
 17 mission; the United States Maritime Commission; the United  
 18 States Tariff Commission; the Indian Claims Commission;  
 19 the War Claims Commission; the Philippine War Damage  
 20 Commission; the Board of Commissioners of the District  
 21 of Columbia; of the General Counsel of the National Labor  
 22 Relations Board; each Assistant Secretary of an executive  
 23 department (including the Fiscal Assistant Secretary of  
 24 the Treasury); each Assistant Attorney General; the Assist-  
 25 ant Solicitor General of the United States; the Counselor

1 of the Department of State; the Second, Third, and Fourth  
2 Assistant Postmaster General; the Associate Federal Media-  
3 tion and Conciliation Director; the Deputy Director of  
4 Central Intelligence; the Philippine Alien Property Admin-  
5 istrator; the Chief Assistant Librarian of Congress; the  
6 Deputy Public Printer; the Architect of the Capitol; the  
7 Assistant Federal Works Administrator; and of the Gov-  
8 ernors of Alaska, Hawaii, the Virgin Islands, and the  
9 Panama Canal shall be at the rate of \$17,500 per annum.  
10 Notwithstanding the Act of February 23, 1931 (5 U. S. C.  
11 152a), the salary of the legal adviser of the Department  
12 of State shall not be increased as a result of this Act.

13 (b) The second sentence of section 603 of title 28 of  
14 the United States Code (relating to the compensation of the  
15 Assistant Director of the Administrative Office of the United  
16 States Courts) is amended to read as follows: "The Assistant  
17 Director shall receive a salary of \$17,500 a year."

18 SEC. 5. In any case in which the chairman or other head  
19 of a board or commission, the rate of basic compensation for  
20 members of which is prescribed by section 4 of this Act,  
21 has important duties or responsibilities not imposed upon  
22 other members of such board or commission, the President  
23 is authorized in his discretion to fix the compensation of such  
24 chairman or other head at the rate of \$20,000 per annum.

25 SEC. 6. (a) Section 304 of the Postal Rate Revision and



1 Federal Employees Salary Act of 1948 is hereby repealed  
 2 effective as of July 3, 1948. No additional compensation  
 3 shall be payable by reason of the enactment of this section for  
 4 any period prior to the date of enactment of this section for  
 5 any period prior to the date of enactment of this Act in the  
 6 case of any person who is not an employee in or under the  
 7 municipal government of the District of Columbia on such  
 8 date of enactment.

9 (b) Effective as of the first day of the first pay period  
 10 which began after June 30, 1948, each of the rates of basic  
 11 compensation provided by sections 412 and 415 of the  
 12 Foreign Service Act of 1946 (U. S. C., title 22, secs. 867  
 13 and 870) which do not exceed \$10,000 are hereby increased  
 14 by \$330. No additional compensation shall be payable by  
 15 reason of the enactment of this section for any period prior  
 16 to the date of enactment of this Act in the case of any person  
 17 who is not a Foreign Service officer or a Foreign Service  
 18 staff officer or employee on such date.

19 *That the rate of basic compensation of the head of each*  
 20 *executive department and of the Secretary of Defense shall*  
 21 *be \$25,000 per annum.*

22 *SEC. 2. (a) The rate of basic compensation of the*  
 23 *Administrator for Economic Cooperation, the Comptroller*  
 24 *General of the United States, the Chairman of the Council*  
 25 *of Economic Advisers, the Director of the Bureau of the*

1 *Budget, the Chairman of the National Security Resources*  
2 *Board, the Federal Security Administrator, the Adminis-*  
3 *trator of Veterans' Affairs, each Under Secretary of an*  
4 *executive department, the Assistant to the Attorney General,*  
5 *the Solicitor General of the United States, and the First*  
6 *Assistant Postmaster General shall be \$20,000 per annum.*

7 (b) *Section 105 of title 3 of the United States Code is*  
8 *amended to read as follows:*

9 "COMPENSATION OF SECRETARIES AND EXECUTIVE, AD-  
10 MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

11 "§ 105. The President is authorized to fix the com-  
12 pensation of the six administrative assistants authorized to  
13 be appointed under section 106 of this title, of the Executive  
14 Secretary of the National Security Council, and of five other  
15 secretaries or other immediate staff assistants in the White  
16 House Office as follows: Two at rates not exceeding \$20,000  
17 per annum, three at rates not exceeding \$18,000 per annum,  
18 and seven at rates not exceeding \$16,000 per annum."

19 (c) *The first sentence of section 106 of title 3 of the*  
20 *United States Code is amended to read as follows: "The*  
21 *President is authorized to appoint not to exceed six admin-*  
22 *istrative assistants and to fix their compensation in accordance*  
23 *with section 105 of this title."*

24 SEC. 3. (a) *The rate of basic compensation of the*  
25 *Housing and Home Finance Administrator, the Federal*

1 *Works Administrator, the Chairman of the Atomic Energy*  
 2 *Commission, the Chairman of the Munitions Board, the*  
 3 *Chairman of the Research and Development Board, the*  
 4 *Deputy Administrator for Economic Cooperation, the As-*  
 5 *stant Comptroller General of the United States, the*  
 6 *Assistant Director of the Bureau of the Budget, and the*  
 7 *Deputy Administrator of Veterans' Affairs shall be \$18,000*  
 8 *per annum.*

9       (b) *The first sentence of section 603 of title 28 of the*  
 10 *United States Code (relating to the salary of the Director*  
 11 *of the Administrative Office of the United States Courts)*  
 12 *is amended to read as follows:*

13       *"The Director shall receive a salary of \$17,500 a year."*

14       (c) *The rate of basic compensation of the Public Printer,*  
 15 *the Librarian of Congress, the members (other than the*  
 16 *Chairman) of the Council of Economic Advisers, the Direc-*  
 17 *tor of Central Intelligence, the Federal Mediation and Con-*  
 18 *ciliation Director, and the Assistant Federal Security*  
 19 *Administrator shall be \$17,500 per annum.*

20       SEC. 4. *The rate of basic compensation of the members*  
 21 *of the Board of Governors of the Federal Reserve System;*  
 22 *the Director of Aeronautical Research of the National Ad-*  
 23 *visory Committee for Aeronautics; members of the Civil*  
 24 *Aeronautics Board; the Chairman of the Board of Directors*  
 25 *of the Export-Import Bank of Washington; members of the*



1 *Federal Communications Commission; members of the Board*  
2 *of Directors of the Federal Deposit Insurance Corporation*  
3 *(including the Comptroller of the Currency); members of*  
4 *the Federal Power Commission; members of the Federal*  
5 *Trade Commission; members of the Interstate Commerce*  
6 *Commission; members of the National Labor Relations*  
7 *Board; members of the National Mediation Board; members*  
8 *of the Railroad Retirement Board; the Chairman of the*  
9 *Board of Directors of the Reconstruction Finance Corpora-*  
10 *tion; members of the Securities and Exchange Commission;*  
11 *members of the Board of Directors of the Tennessee Valley*  
12 *Authority; members of the Civil Service Commission; the*  
13 *Chairman of the United States Maritime Commission;*  
14 *members of the United States Tariff Commission; members*  
15 *(other than the Chairman) of the Atomic Energy Com-*  
16 *mission; the General Counsel of the National Labor Rela-*  
17 *tions Board; the Architect of the Capitol; and the Assistant*  
18 *Federal Works Administrator shall be at the rate of \$16,000*  
19 *per annum.*

20 *SEC. 5. (a) The rate of basic compensation of the*  
21 *Housing Expediter; the War Assets Administrator; the*  
22 *Director of Selective Service; the Archivist of the United*  
23 *States; members of the Displaced Persons Commission; mem-*  
24 *bers of the Indian Claims Commission; members of the War*  
25 *Claims Commission; members of the Philippine War Dam-*

1 age Commission; members of the Board of Commissioners  
2 of the District of Columbia; each Assistant Secretary of  
3 an executive department (including the Fiscal Assistant  
4 Secretary of the Treasury); each Assistant Attorney Gen-  
5 eral; the Assistant Solicitor General of the United States; the  
6 Counselor of the Department of State; the Second, Third, and  
7 Fourth Assistant Postmasters General; the Associate Fed-  
8 eral Mediation and Conciliation Director; the Deputy  
9 Director of Central Intelligence; the Philippine Alien Prop-  
10 erty Administrator; the Chief Assistant Librarian of Con-  
11 gress; the Deputy Public Printer; members (other than the  
12 Chairman) of the Board of Directors of the Export-Import  
13 Bank of Washington; members (other than the Chairman)  
14 of the Board of Directors of the Reconstruction Finance  
15 Corporation; members (other than the Chairman) of the  
16 United States Maritime Commission; Administrator, Pro-  
17 duction and Marketing Administration; Commissioner of  
18 Internal Revenue; Director of the Bureau of Prisons;  
19 Director, Federal Bureau of Investigation; Commissioner  
20 of Public Roads; Commissioner of Public Buildings; Com-  
21 missioner of Community Facilities; Commissioner of Immi-  
22 gration and Naturalization; Administrator, Rural Electri-  
23 fication Administration; Commissioner for Social Security;  
24 Commissioner of Reclamation; Chief, Soil Conservation  
25 Service; Commissioner of Customs; Governor of the Farm

1 *Credit Administration; Chief Forester of the Forest Serv-*  
2 *ice; Administrator of the Farmers Home Administration;*  
3 *the three Special Assistants to the Secretary of Defense;*  
4 *and of the Governors of Alaska, Hawaii, the Virgin*  
5 *Islands, and the Panama Canal shall be at the rate of*  
6 *\$15,000 per annum. Notwithstanding section 30 of the*  
7 *Act of May 24, 1924, as amended (U. S. C., title 5, sec.*  
8 *152a), the salary of the Legal Adviser of the Department*  
9 *of State shall continue to be at the rate of \$10,330 per annum.*

10 (b) *The second sentence of section 603 of title 28 of*  
11 *the United States Code (relating to the compensation of the*  
12 *Assistant Director of the Administrative Office of the United*  
13 *States Courts) is amended to read as follows: "The Assistant*  
14 *Director shall receive a salary of \$15,000 a year."*

15 (c) *The rate of compensation of the Legislative Counsel*  
16 *of the House of Representatives and of the Legislative*  
17 *Counsel of the Senate shall be \$12,000 per annum.*

18 SEC. 6. *In any case in which the chairman or other head*  
19 *of a board or commission and the other members of such*  
20 *board or commission receive the same rate of basic compen-*  
21 *sation under this Act, and such chairman or other head has*  
22 *important duties or responsibilities not imposed upon other*  
23 *members of such board or commission, the President is*  
24 *authorized in his discretion to fix the compensation of such*  
25 *chairman or other head at the rate of \$18,000 per annum.*



1        *SEC. 7. (a) Section 304 of the Postal Rate Revision*  
2        *and Federal Employees Salary Act of 1948 is hereby re-*  
3        *pealed effective as of July 3, 1948. No additional com-*  
4        *pensation shall be payable by reason of the enactment of*  
5        *this section for any period prior to the effective date of this*  
6        *Act in the case of any person who is not an employee in or*  
7        *under the municipal government of the District of Columbia*  
8        *on such date.*

9        *(b) Effective as of the first day of the first pay period*  
10       *which began after June 30, 1948, each of the rates of basic*  
11       *compensation provided by sections 412 and 415 of the*  
12       *Foreign Service Act of 1946 (U. S. C., title 22, secs. 867*  
13       *and 870) which do not exceed \$10,000 are hereby increased*  
14       *by \$330. No additional compensation shall be payable by*  
15       *reason of the enactment of this section for any period prior*  
16       *to the effective date of this Act in the case of any person*  
17       *who is not a Foreign Service officer, a Foreign Service*  
18       *Reserve officer, or a Foreign Service staff officer or employee*  
19       *on such date.*

20       *(c) No person whose compensation is increased by this*  
21       *section shall be entitled to any overtime pay, or compensation*  
22       *for night and holiday work, as provided in sections 201,*  
23       *301, and 302 of the Federal Employees Pay Act of 1945,*  
24       *as amended, based on the additional compensation provided*

1 *by this section for any pay period ending prior to the effective*  
2 *date of this Act.*

3 *SEC. 8. This Act shall take effect on the first day of the*  
4 *first pay period which begins after the date of enactment of*  
5 *this Act.*







81ST CONGRESS  
1ST Session

# H. R. 1689

[Report No. 535]

---

## A BILL

---

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

By Mr. MILLER of California

---

JANUARY 20, 1949

Referred to the Committee on Post Office and Civil  
Service

MAY 9, 1949

Reported with an amendment, committed to the Com-  
mittee of the Whole House on the State of the  
Union, and ordered to be printed







## CONSIDERATION OF H. R. 1689

---

JUNE 30, 1949.—Referred to the House Calendar and ordered to be printed

---

Mr. SABATH, from the Committee on Rules, submitted the following

### REPORT

[To accompany H. Res. 274]

The Committee on Rules, having had under consideration House Resolution 274, reports the same to the House with the recommendation that the resolution do pass.







## House Calendar No. 97

81ST CONGRESS  
1ST SESSION

# H. RES. 274

[Report No. 952]

---

### IN THE HOUSE OF REPRESENTATIVES

JUNE 30, 1949

Mr. SABATH, from the Committee on Rules, reported the following resolution;  
which was referred to the House Calendar and ordered to be printed

---

## RESOLUTION

1       *Resolved*, That immediately upon the adoption of this  
2 resolution it shall be in order to move that the House resolve  
3 itself into the Committee of the Whole House on the State  
4 of the Union for the consideration of the bill (H. R. 1689) to  
5 increase rates of compensation of the heads and assistant  
6 heads of executive departments and independent agencies  
7 That after general debate, which shall be confined to the bill  
8 and continue not to exceed one hour, to be equally divided  
9 and controlled by the chairman and ranking minority member  
10 of the Committee on Post Office and Civil Service, the bill  
11 shall be read for amendment under the five-minute rule. At  
12 the conclusion of the consideration of the bill for amendment,

81ST CONGRESS  
1ST SESSION

## H. RES. 274

[Report No. 952]

### RESOLUTION

Providing for the consideration of H. R. 1689,  
a bill to increase rates of compensation of  
the heads and assistant heads of executive  
departments and independent agencies.

By Mr. SABATH

JUNE 30, 1949

Referred to the House Calendar and ordered to be  
printed

the Committee shall rise and report the bill to the House  
with such amendments as may have been adopted and the  
previous question shall be considered as ordered on the bill  
and amendments thereto to final passage without intervening  
motion except one motion to recommit.



The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

#### RACE RIOTS IN THE DISTRICT OF COLUMBIA

Mr. RANKIN. Mr. Speaker, the Communists have finally succeeded in bringing on a race riot in the District of Columbia, and those communistic propagandists on the floor of this House are largely responsible for it.

This proposition of wiping out segregation in the public schools of the District of Columbia, and in the playgrounds and swimming pools, has created a race riot that has lasted for 2 days in Anacostia, and resulted in the closing of their swimming pool indefinitely.

Yesterday it took 50 policemen to keep the peace around that swimming pool, and even then they failed.

Who is responsible for all this trouble? It is these communistic agitators. They have infiltrated into this country and many of them have slipped into Government positions. They should be ousted and deported at once. They are running around trying to stir up race trouble between the whites and the blacks, who are getting along better in America, and especially in the South, where we have complete segregation, than they are anywhere else in the world.

The SPEAKER. The time of the gentleman from Mississippi has expired.

#### INCREASING RATES OF COMPENSATION OF HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 274) providing for consideration of the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, which was referred to the House Calendar and ordered printed:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House and such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. WHITE of California asked and was given permission to extend his re-

marks in the RECORD and include extraneous matter.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

#### EXCISE TAXES

Mr. REES. Mr. Speaker, I am astonished that the leadership of this House indicates that excise taxes are all permanent taxes that will be continued for some time to come. I had hoped that we would receive a little encouragement by getting rid of at least a part of these excise taxes as quickly as may be done. We have got to cut expenses, of course, in order to cut taxes; this we all know. But it is unfortunate to be informed by the leadership that these taxes are to be permanent and to be continued. As I say, I had hoped we would be given some encouragement that we would get rid of excise war taxes instead of continuing them on.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. REES. I am glad to yield to the distinguished majority leader of the House. I am always glad to yield.

Mr. McCORMACK. Was it not the last Congress that made them permanent?

Mr. REES. Oh, no; the last Congress did not make any taxes permanent. As a matter of fact, it gave some consideration to repealing a part of the war taxes that were supposed to be temporary. This Congress ought to relieve the country of at least a part of unnecessary burdensome war-excise taxes.

The SPEAKER. The time of the gentleman from Kansas has expired.

#### MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—HIGHWAY NEEDS FOR THE NATIONAL DEFENSE (H. DOC. NO. 249)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Public Works and ordered printed with illustrations:

#### To the Congress of the United States:

I transmit herewith a letter from the Administrator of the Federal Works Agency, enclosing a report on Highway Needs of the National Defense.

The report was prepared at the request of the Congress by the Commissioner of Public Roads in cooperation with the several State highway departments. In compliance with the request, the Secretary of Defense and the National Security Resources Board were invited to cooperate and have responded with suggestion of the indicated or potential needs for improved highways for the national defense. An expression of the views of the National Military Establishment, which has the concurrence of each of the military departments and agencies, is appended.

The larger part of the report presents information in detail concerning the condition of the highways of the country and their fitness to meet defense and civil needs, with particular reference to the national system of interstate highways. There is indication also of certain measures intended to permit the taking of prompt highway improvement action in the event of a national emergency.

This report is a useful document. I recommend it to the consideration of the Congress in connection with such further provision as may be made for the continuance of Federal aid for highway construction.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 30, 1949.

#### CLAIMS CHARGEABLE AGAINST LAPSED APPROPRIATIONS; UNEXPENDED BALANCES

Mr. DAWSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3549) to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, lines 6 and 7, strike out "on the books of the General Accounting Office."

Page 2, lines 10 and 11, strike out "the balances of the respective lapsed appropriations so transferred" and insert "the respective balances of any lapsed appropriations."

Mr. HALLECK. Mr. Speaker, reserving the right to object, I wonder if the chairman of our committee discussed the matter with the ranking minority member.

Mr. DAWSON. I did, and with all members of the committee, also with the Majority and Minority Leaders.

Mr. HALLECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The amendments were concurred in.

A motion to reconsider was laid on the table.

#### AMENDMENT OF FEDERAL EMPLOYEES' COMPENSATION ACT

Mr. DEDANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 265 providing for the consideration of the bill (H. R. 3191) to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes, and ask for its immediate consideration.

The Clerk read as follows:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State



of the Union for the consideration of the bill (H. R. 3191) to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and at this time I yield myself 3 minutes.

Mr. Speaker, this resolution makes in order consideration of the bill H. R. 3191, which is a bill to provide just compensation for employees of the United States who have suffered injury while in the performance of their duties.

The Federal Employees Compensation Act has been in existence for nearly 33 years. During that time the scale of compensation and benefits for disability and death have been modified on only one occasion, in 1927. Twenty-two years have elapsed without revision of the act. In order to place the scale of benefits in line with the present upswing in wages the major purpose of the bill is to make benefits more realistic in terms of the present wage rate so as to enable a disabled Federal employee and his family to maintain themselves when the employee's wages and his wage-earning capacity has been destroyed or impaired through accident or disease directly attributable to his employment.

The bill has been unanimously reported and the Committee on Rules has provided for 2 hours' general debate.

Mr. ALLEN of Illinois. Mr. Speaker, the gentleman from New York has correctly advised the House in reference to this resolution. There are no requests for time on this side.

Mr. DELANEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. McCORMACK].

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, there retires today after 32 years' distinguished service an Army officer who is held in high esteem on Capitol Hill. This officer, Maj. Gen. Wilton B. Persons, has been closely associated with the House of Representatives during the war and post-war years and I believe that those of us who have come to know and consequently to like and to have confidence in Jerry Persons—and I daresay we number most if not all the Members of the House—will want to join me in wishing him good luck and godspeed.

General Persons is the officer who served as chief of congressional liaison for the Army before and during World War II. More recently, when the National Military Establishment was created, General Persons was elevated to the position of Director of Legislative Liaison in the Office of the Secretary of Defense.

General Persons during his tenure in these positions rendered invaluable assistance to the Congress, the Military Establishment, and to the country. His keen appreciation of legislative matters together with his great tact, energy, judgment, and personal integrity have been important factors in the growth of closer mutual understanding of the problems of the Congress and the Military Establishment.

General Persons has had the confidence of Secretaries Stimson, Patterson, Royall, Forrestal, and Johnson. Perhaps the most significant testimonial to General Persons' work has come from General Marshall during World War II when he denied all requests from overseas commanders for General Persons' services despite General Persons' great desire for combat duty. In turning down one such request Marshall has written, "There are few men in the Army whom I consider irreplaceable and Persons is one of them."

Since the war, General Persons has continued his outstanding service amidst the tremendous and difficult problems that have confronted the Military Establishment. As one Member of Congress, I am reluctant to see this fine soldier, patriot, and American leave the Military Establishment. He richly merits the Nation's gratitude.

Mr. DELANEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, the gentleman from New York [Mr. DELANEY], who has called up this resolution, has ably explained the rule and the justification and need for this legislation. I have made a careful study of the bill and the effect of its various provisions, and at this point shall briefly give a résumé of the sections of the four titles of the bill.

#### Title I:

Section 101 permits compensation payment for first 3 days if disability is longer than 21 days.

Employee permitted to use annual or sick leave with approval of department head.

Section 102, loss or loss of use of two major members of body or blindness regarded as *prima facie*.

Permanent total disability is only overcome upon substantial rehabilitation of the employee or proof of substantial earning after injury.

Section 103 permits administrator to accept unsworn report of earnings.

Forfeiture of compensation if injured employee knowingly misstates his earnings.

Section 104 provides schedule for permanent partial disability where there is total or partial or loss of use of limb or part thereof, an eye, or hearing.

Compensation payable to all kinds of injuries causing permanent disability,

including those cases in which disability is total.

Upon death for causes other than impurity unpaid scheduled award is payable to specified beneficiaries ordinarily entitled to death benefits.

Section 105 provides increase of  $8\frac{1}{3}$  percent of monthly pay for totally disabled and  $8\frac{1}{3}$  percent increase of the difference between such pay at time of injury and reduced earning capacity.

Limits circumstances under which wife, child, or parent is considered a dependent.

Increases present maximum of \$50 to \$75 a month.

Disabled individual undergoing vocational rehabilitation.

Provides a minimum compensation of \$112.50 per month—present law providing \$58.33—for total disability.

Net effect of changes and additions is to increase by  $8\frac{1}{3}$  percent of the loss of earnings the basic compensation of  $66\frac{2}{3}$  percent, in view of the greater need of employee with a dependent or dependents than a single employee.

Section 106 increases death claim for compensation from  $66\frac{2}{3}$  percent to 75 percent.

Readjustment of percentage of payments to widow or dependent widower.

Administrator in his judgment may make payment direct to minor.

Section 107 increases burial expenses from \$200 to \$400.

Section 108 enlarges definition of employee.

Section 109 increases substances allowances for those beneficiaries where disability or death occurred prior to the act.

#### Title II. Technical amendments:

Section 201 authorizes Administrator to direct any permanently disabled employee to undergo vocational rehabilitation.

Section 203 defines elements of pay to be considered in making determination of employees' method of computing pay.

Section 204 determines wage-earning capacity in partial-disability cases.

Section 205, Federal Security Administrator charged with administration of act.

Section 206, compensation paid under mistake of law or fact to be recovered or award canceled.

#### Title III:

Section 301, time limitation applying to notice of injury or death outside United States during war.

Title IV: Provision for liberalization of the minimum and maximum compensation for emergency relief workers.

#### THE BIRTH OF WORKMEN'S COMPENSATION

Mr. Speaker, the principle involved in compensating employees injured in Government and civilian employment has been close to my heart for many years because I introduced the first workmen's compensation bill to provide for injured employees in 1908—41 years ago.

I submitted the original draft of my bill to the House Committee on Interstate and Foreign Commerce for their views. I was happy to learn later that the gentlemen on this committee were so impressed that they in turn submitted my draft to President Theodore Roosevelt.







The bill continues for 60 days title I and title VI, about which we have had very many questions, so that title I, FHA, which insures modernization loans, and title VI insurance, will be continued for a 60-day period. We also increase the amount of insurance available under title II by \$500,000,000.

I think you can give your constituents reasonable assurance that the conference report will be adopted by the House and by the Senate, and I would assume from the statements which have come to us from the White House that you can give them positive assurance that the President will sign the bill, thereby continuing title I and title VI for at least 60 days.

The bill is just as bad as it was when it left the House. It is better in only one respect. It was bad then and it is bad now. That is the reason why the three of us managers on the part of the House on this side did not sign the conference report and still oppose the bill.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, the gentleman from Michigan has made some reference to the change in language in the amendment I introduced and which was adopted by an overwhelming vote in this House when the bill was before the House on the 29th of June.

Every appropriation bill which this House has passed during this session of the Congress and the last session of the Congress had incorporated in them an almost identical provision as my amendment to the housing bill. I simply took the language which was in the appropriation bills and added the necessary language to make it apply properly to this bill.

I felt it was necessary to have this provision in the bill in order to prohibit people who advocate the destruction of our form of government by force and violence. This bill when enacted into law will be in effect 40 years, and the Congress will have little or no opportunity to further exercise its will over the law nor over the appropriations to implement the law as we ordinarily do each year in appropriations bills.

I was very anxious, and the vote in the House proves that the membership was also anxious by a vote of 283 to 129, to have my provision inserted in the bill. The conferees, however, saw fit to add language restricting the provisions of the amendment to affect only the officers and employees of the Housing and Home Finance Agency and the Department of Agriculture.

Now I ask the chairman of the committee, the gentleman from Kentucky [Mr. SPENCE], why this new language was inserted in this particular bill in face of the fact that the Housing Agency has been subjected to severe attack for being a haven for left wingers and radicals of every shade from pink to deep red.

Mr. SPENCE. The language which was inserted in the gentleman's amendment would apply not only to those people who are permanently employed in the Housing Administration and in the Department of Agriculture, and who are

charged with the duty of executing this law, but would apply to every laborer, every ditch digger, and every mechanic. We thought that would be entirely impractical. Personally I do not think it makes so much difference, because I think a man who is disloyal to his country would not tell the truth about it. That is my personal opinion. That is the reason it was stricken out.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JENSEN. Why, the Department of the Interior has many thousands of laborers working constantly in the construction of dams and electric power lines, and so forth, the War Department has many thousands of laborers working constantly for them on river-improvement construction, as do other departments of the Government.

Mr. Speaker, it appears very plain that certain Members of this House of Representatives work overtime to give aid and comfort to all the radicals and pinks and commies in the country. So the rest of us must fight hard with what weapons we have against odds which are almost insurmountable. One thing is certain—we will never give up the fight to rid this Nation of its avowed destroyers.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, the gentleman's amendment would seriously hamper and interfere with private business. It would not only include hod carriers and any person who worked 1 day or half a day on a project, but it would include bankers who were handling the bonds as brokers. I do not believe the gentleman would like to require 50 or 100 bankers, who are in competition with one another in the purchase of these bonds, all to subscribe to this affidavit when only one could be the successful bidder.

Mr. JENSEN. I would be tickled to death to have them do so.

Mr. PATMAN. And handle this small amount of bonds. The commissions are very small. It includes not only bankers and brokers and hod carriers, but a person who sells one dollar's worth of merchandise to a project. If it happened to be a partnership with 15 or 20 members, each of them would have to make an affidavit that they were not Communists before they could sell one dollar's worth of merchandise to these projects. Local people will have charge of it, and we must assume that they are honest and patriotic American citizens and will not harbor pinks and Reds. I assure the gentleman there is not one single member of our committee who is in favor of the pinks and Reds. We are just as much opposed to them as any person. No one person has a monopoly on the opposition to pinks and Reds in this country.

Furthermore, if the gentleman wants additional safeguards, the money appropriated each year—the maximum amount will be \$308,000,000 a year—will have to be appropriated, and proper safeguards can be placed on each appropri-

tion bill, to guard against any fears that the gentleman may have. That will be an additional place where safeguards can be made.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. JENSEN. The gentleman knows that he has voted for 11 appropriation bills during this session of Congress, 8 regular and 3 deficiency bills, and in each of those was this language, with no limitation.

Mr. PATMAN. I know, but you are dealing with a different situation.

Mr. JENSEN. No; you are not.

Mr. PATMAN. It covers everything and everybody in the way it should be covered. You do not want to include a 50-cent purchase of merchandise in this. You have to go to a notary public and make an affidavit before you can sell 50 cents' worth of merchandise.

Mr. JENSEN. That would be O. K. with me.

Mr. PATMAN. You would have more affidavits than you would have housing.

The SPEAKER. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. SPENCE. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. PATMAN. If the gentleman wants to destroy public housing and make it so that the public-housing authorities could not operate, that would be a good step, but we should want to interfere with the local housing people just as little as possible. We must assume that they are just as patriotic as we are. At least, they should be.

The gentleman from Michigan [Mr. Wolcott] in his statement that we capitulated and brought back the Senate bill, did not make an accurate statement. There are several important features that are different from the Senate bill, and very much in our favor. For instance, titles I and VI expired June 30, 1949. The Senate bill did not have a provision to extend those titles. The House bill did contain such provision, and, in addition, an authorization of \$500,000,000 more under title II. They were out of money. So the bill not only extends titles I and VI for 60 days, until the committees can pass upon the extension of those titles permanently or for a longer period of time, but we dated them back to June 30, 1949. In other words, there has been no hiatus in the acts at all. They continue on from June 30, 1949. That is a substantial change, and very much in favor of the House.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WOLCOTT. I explained that. I think if you will read my remarks you will find I said that the Senate bill, in principle, was returned. I did not want to indicate that the conference was exactly like the Senate bill, because I explained many differences between the House and Senate bills.

Mr. PATMAN. I am glad to have the gentleman's explanation. I did not understand it that way.

I know we doubled the amount for rural housing, that is substantially, a



100-percent increase. We granted a \$500,000,000 increase in title II. We dated the titles back to June 30, 1949. I think these are all substantial changes. I hope that the conference report is agreed to.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, the controversy on the conference report is the same as the controversy on the bill; those who were against the bill are against the conference report for one reason or another, and those who were for the bill are for the conference report.

The conference report does in substance carry out the Senate bill; and that, I think, is generally what the House intended as a reasonable housing program. It carries out also the provisions of the bill introduced by 10 House Republicans, including the provisions for the extension and added financing of FHA, which we think are very important. I feel also that we will continue to press for action on housing for the lower middle-income families, which is not contained in this bill, but which was first provided for in the bill introduced by the 10 House Republicans, later joined in by similar bills introduced by 22 Democratic Members.

I hope those who voted for the bill will vote for the conference report and that it will be adopted.

Mr. SPENCE. Mr. Speaker, we have no further requests for time. I therefore move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### SADAKO TAKAGI

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 623) for the relief of Sadako Takagi, with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Sadako Takagi, the Japanese fiancée of Lt. William M. Marutani, of Chicago, Ill., presently a tubercular patient at the Veterans' Administration Hospital in Waukesha, Wis., and a retired United States Army officer of World War II, and that Sadako Takagi may be eligible for a visa as a non-immigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Sadako Takagi is coming to the United States with a bona fide intention of being married to said Lt. William M. Marutani, and that she is found otherwise admissible under the immigration laws. In the event that the marriage between the above-named parties does not occur within 3 months after the entry of said Sadako Takagi, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C. title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry

of said Sadako Takagi, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Sadako Takagi as of the date of her entry into the United States, upon the payment by her of the required fees and head tax."

The amendment was agreed to.

A motion to reconsider was laid on the table.

#### JACOB GROSS, A MINOR

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3127) to authorize the admission into the United States of Jacob Gross, a minor, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That for the purposes of the immigration and naturalization laws Jacob Gross, a minor orphan grandchild of Rabbi Solomon Horovitz, of New York, N. Y., shall be deemed to be the child of said Rabbi Solomon Horovitz."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### INCREASING RATES OF COMPENSATION OF HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS AND INDEPENDENT AGENCIES

Mr. SABATH. Mr. Speaker, I call up House Resolution 274 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I yield myself such time as I desire.

Mr. Speaker, this resolution makes in order consideration of the bill (H. R. 1689) which increases the rates of compensation of the heads and assistant heads of executive departments and independent agencies. It provides for 1 hour general debate.

Mr. Speaker, I take it for granted that most of the Members are familiar with the bill and its purpose. The President has requested, urged, and pleaded

for this legislation so that he might keep some men who are ready to resign and who are needed in the most important positions of our Government. As a matter of fact, some very able men have already resigned.

Originally the bill included an increase for employees of the District of Columbia and the Foreign Service, but these two categories have been taken care of by the House previously. This bill will provide an increase in salaries amounting to \$1,237,000. I have the list of the increases provided for in the original bill, and I have also the list of the reductions that have been made by the committee that reported this bill. I am of the opinion that the committee has done a splendid job. They have reduced many of the proposed increases from \$25,000 to \$20,000; some increases have been reduced by \$5,000, by \$3,000, and others by \$2,000. I think they had in mind to try to hold down expenditures to the utmost.

In view of the very earnest and careful consideration that has been given to this bill and the reductions that have been made by the committee in the proposed increases provided and asked for in the original bill, I do not think that we can do any better, as I said before.

Mr. Speaker, our Government is the greatest organization in the world. It is obliged to legislate for approximately 150,000,000 people, and our Government transacted \$142,000,000,000 worth of business last year. Its President and its directors and those in charge of governmental affairs in safeguarding and protecting the country's interests as well as those of its people, are obliged to cope daily with the most astute and capable representatives of our great industrial and financial organizations. The President, as head of this tremendous organization, must by necessity have able and capable men to aid him in carrying out his duties and responsibilities.

Mr. Speaker, this bill provides for a much-needed increase in the salaries of the President's aids and those upon whom he relies and trusts for the vast amount of important duties and functions that transpire daily. They are his household.

The increases provided for in this bill and many others have been recommended by the Hoover Commission, which engaged over 200 experts to investigate and recommend the ways and means for bringing about economy in our great Government. This bill does not go as far as the Hoover Commission report suggests, which Commission, incidentally, has spent almost \$2,000,000 in its research and investigations. This bill provides for 244 increases. The gentleman from Kansas [Mr. REES], former chairman of the Committee on Post Office and Civil Service, feels that there should be at least 60 more, and I say at least 100 additional increases, for I feel that many of those not included but that should be, are those that do the hardest and most important work. This also applies to those attorneys employed by the Department of Justice, whose salaries should be increased by virtue of the fact that they are obliged to continuously cope with the most astute and able corporation law-



yers in the country, many of whom receive five and six times as great a salary as does the Government attorney.

I fully appreciate that the Government cannot compete with private industry in that they cannot compensate their employees as much as private industry can afford to pay. It is indeed unfortunate that many of these industries have and are continuously hiring many of our Government officials at two and three times the salary that the Government is paying them. I regret it is possible for industry to deprive the Government of many experienced men that we have had from time to time, especially in the Department of Justice and the Bureau of Internal Revenue. I have frequently criticized the practice of private industry in taking from the Government its most experienced men, for the purpose of obtaining information. Frequently these men have information and experience, as well as knowledge, which private industry feels would be beneficial to them.

I fully realize, Mr. Speaker, that some Members feel that the salaries of many other worthy individuals should be increased, notwithstanding this bill, that is, our district court judges, Congressmen, and Senators. Congress, as you all know, increased its salary a few years ago and made allowances for additional clerk hire.

In this bill, for example, we increased the salaries of the Federal Trade Commissioners, who for years received only \$10,000 per year, and the President was obliged to plead with these commissioners to remain in the service of their country, because their salaries have not been increased since 1914, or 35 years. There are many others whose salaries have not been increased in 35 years, and others in 24 years, whose salaries are being increased in this bill, and rightly so. Therefore, I feel that this long-delayed and present increase is more than justifiable.

The only objection that will be made, and I know it will be made by the gentleman from Ohio [Mr. BROWN], is that we wait until all the other Hoover Commission recommendations are adopted. In answer thereto, I will state that some of their recommendations have been approved, but unfortunately they are conditional and will require final approval by the House and no one can tell if such action will take place before we adjourn. Consequently, I feel that Mr. BROWN's viewpoint is not justified, especially in view of the fact that this bill had been introduced 6 months ago and the application for a rule was made last April. I withheld action on the rule in order to obtain the opinion of the American people. In this regard, I received letters from a great many people all over the United States who approved this legislation, and approximately 2 percent from people who were opposed to it. Consequently, I have called the rule up now for your consideration and action on the bill.

There are some other gentlemen who feel that because of economic conditions they oppose this bill. It seems to me, however, that most of these people are opposing this bill for the purpose of stressing the so-called business recession.

I think their opposition is purely political because I do not feel that we are in any danger of a recession. As I have maintained, we are producing more than we ever did in peacetime, and this, notwithstanding the hue and cry of unemployment. As a matter of fact, we had, in June 1949, 59,619,000 people employed in this country, nearly 60,000,000. All this as against 61,615,000 employed in June of 1948, or a drop of less than 2,000,000, and this is one-half the average unemployment figures even in times of the greatest employment. We will always have that number and a greater number of unemployed due to a variety of conditions, such as illness, seasonal shifts, and the like. Other unemployment will be brought about and has been brought about as a result of strikes under the Taft-Hartley Act—which these very gentlemen claimed would eliminate strikes.

Our business and commerce is in splendid shape. Surely we have forced down some of the unjustifiably high prices which some of the industrial leaders naturally dislike, but upon examining their profits, these reductions in cost of living are justifiable and warranted.

I have before me figures showing the profits of 15 of the 25 largest corporations in America for the first quarter of 1949, and the comparative figures for the first quarter of 1948 as taken from Moody's Investor's Service Report. They certainly indicate a healthy increase over 1948.

	First quarter, 1949	First quarter, 1948
General Motors Corp.....	\$136,763,338	\$96,481,412
United States Steel.....	49,928,670	27,857,341
E. I. du Pont de Nemours.....	43,581,325	30,195,371
Socony Vacuum Oil Co.....	26,000,000	133,000,000
Texas Co.....	28,870,111	27,974,839
Gulf Oil Co.....	26,973,000	38,517,000
General Electric Co.....	26,702,978	25,389,149
Standard Oil of California.....	37,389,082	37,106,904
Bethlehem Steel Co.....	33,129,574	15,499,331
Cities Service Co.....	18,510,903	19,976,576
Union Carbide & Carbon Corp.....	24,529,419	23,019,722
Sinclair Oil Co.....	15,000,000	21,000,000
Westinghouse Electric Co.....	10,866,921	13,135,789
American Tobacco Co.....	10,648,000	7,495,000

<sup>1</sup> Estimated.

I also have some figures that I obtained from the Coordinator of Information of the House of Representatives which indicate further that a recession is not around the corner:

*Cash dividend payments first quarter 1949 compared with same period 1948*

Cash dividend payments:  
First quarter, 1948..... \$1,284,000,000  
First quarter, 1949..... 1,384,000,000

There was a net increase of 8 percent in dividends paid in 1949 over 1948.

The net income of 52 corporations engaged in retail trade for the fiscal year ending in the first quarter of 1949 was \$360,000,000.

For the same period in 1948 the net income was \$306,000,000.

The increase in net income in 1949 over 1948 was 17.4 percent for these 52 corporations.

The total assets of these same corporations increased in the first quarter of 1949 to \$3,064,000,000 from \$2,752,000,000 in the same period in 1948.

This is an increase of 11.4 percent.

I intensely dislike calling your attention to the fact that in 1947, when the private interests attempted to kill the housing bill, rent-control bill, and labor bills, big industry started to lay off men in many instances, and started to create a recession and the resultant unemployment. Naturally, the Wall Street stock speculators and manipulators have then and are taking advantage of it now in an effort to hammer down the price of stock and even bonds. But that is all speculation and does not truly reflect the actual business condition of our country, because these gentlemen are purely and solely gamblers and almost 95 percent of these transactions are speculative; less than 10 percent are legitimate sales.

I promised that I would insert in the RECORD a statement showing the various increases in this bill which I have prepared and which I now insert. As I have stated, the Committee on Post Office and Civil Service has brought about the reduction of many increases that were contained in the original bill.

COMPARISON OF SALARY CLASSIFICATIONS IN THE ORIGINAL BILL AND THE COMMITTEE BILL

Section 1: No change in the basic compensation provided for the heads of executive departments and the Secretary of Defense, \$25,000 per year.

Section 2: Executives listed under this section in the original bill were to receive \$22,500 per year. Under the committee bill they receive \$20,000.

Section 105 amended. The following changes were made in the pay of executives listed under this section:

Two White House secretaries reduced from \$22,500 to \$20,000.

Three White House secretaries reduced from \$20,000 to \$18,000.

Seven White House secretaries reduced from \$17,500 to \$16,000.

Section 3: The executives listed under this section in the original bill were to receive \$20,000. The committee bill reduced this to \$18,000.

One exception: The original bill provided \$22,500 for the Chairman of the Atomic Energy Commission. The committee bill provides \$18,000.

Another group of executives listed under this section in the original bill were to receive \$20,000. The committee bill reduced these to \$17,500.

Section 4: The executives listed under this section in the original bill were to receive \$17,500. The committee bill reduces them to \$16,000.

There are two exceptions in this section. The original bill provided \$20,000 for the Board of Governors, Federal Reserve, and for members of the Atomic Energy Commission. The committee bill reduces these to \$16,000.

Section 5: The executives listed under this section in the original bill were to receive \$17,500. Under the committee bill they will receive \$15,000.

The committee bill adds the following executives who were not included in the original bill, to receive \$15,000: Commissioner of Internal Revenue; Director, Bureau of Prisons; Director, Federal Bureau of Investigation; Commissioner of Immigration; Director, Rural Electrical Administration; Social Security Board; Reclamation Commissioner; Soil Con-



servation Commissioner; collector of customs; United States Forester; three special assistants to Secretary of Defense.

Mr. Speaker, I am hopeful that this rule will be passed unanimously for it provides for much-needed legislation as I said before—legislation that is pointed in the right direction.

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, at the present moment I find myself in one of the most difficult positions that I have experienced since I have been a Member of this House. So I hope I may have as much of your attention as possible under the rather unsatisfactory conditions which prevail here in this temporary Chamber.

As many of you know, I was the author of the legislation which created the so-called Hoover Commission, and have served as a member of that Commission for the past 2 years, and up to the termination of that Commission last month. This legislation comes here, I presume, with the recommendation of the President, that it be enacted into law. In many ways it is, in substance at least, in line with the general recommendations of the Hoover Commission.

In the very beginning I should like to point out that the Commission did not make any definite recommendation as to the amounts of percentage of increases which should be granted to various high-ranking officials in the executive branch of the Government. However, the Commission has pointed out, in its report, that the salaries of the lower grades of employees under the civil service have increased from 43 to 56 percent, while the salaries of those in the highest grades under civil service have been increased by but 15 percent.

Then, after the Commission recommended that a careful study of the pay schedule for higher Government officials be made, it went ahead to say, and I quote:

Similar action is considered essential for other top positions throughout all branches of the Government. Salaries for Cabinet officers have not, for example, been changed since 1925.

To continue to quote from the Hoover Commission recommendation:

This is indefensible. Government can never compete on a dollar-for-dollar basis with private industry for persons for its top positions. It can and should, however, treat such persons in an equitable manner. This it is not now doing.

Then in another recommendation the Hoover Commission discusses the career employees, and in recommendation No. 11, on Personnel Management, the Commission says:

Congress should raise the present salary ceiling of \$10,330 for career employees. At the same time it should increase legislative, judicial, and executive salaries at the level of assistant secretary, or its equivalent, and above.

So I am not now contending that some increase in compensation for the benefit of the higher officials of the executive branch of the Government is not needed

or is not justified. Of course, I must contend it is extremely difficult for the Congress, or for anyone else, to attempt to say what a Cabinet officer should receive in the way of compensation, or what salary some other important official in the executive branch of the Government should receive. We had recommended to us, as a Commission, a suggested pay schedule for different public officials. Under the suggested pay schedule, it was recommended the President should have an annual salary of \$150,000, Vice President \$50,000, Justices of the Supreme Court \$35,000, the Speaker of the House \$25,000, Senators and Representatives—if you are interested—\$20,000, heads of executive departments, \$25,000—which means the Cabinet members—Under Secretaries \$20,000, Assistant Secretaries \$17,500, heads of independent agencies \$17,500, and top career employees under the classified service \$15,000.

The Hoover Commission came to the conclusion, after a great deal of consideration and deliberation, that it should not recommend to the Congress just what executive officials should have their pay increased or by how much.

As you can see, this pending bill would increase compensation of certain officials by as much as 75 percent, so that a great many of them would be paid considerably more than Members of the House or Senate, and in many instances much higher pay than the judicial officers of the Government.

But as I said a moment ago, no one can tell what pay any public official is really worth. I have known Cabinet officials who, in my opinion, were worth 50, 100, or even a thousand times as much to the Government as the salary they were receiving. I have known other Cabinet officials where, in my opinion, the Government would have been better off to have paid \$100,000 or so to have them resign their positions and go home.

It has been my contention, and I believe it was the conviction of the Commission, I believe, that about the best the Congress can do is to try to fix a pay schedule which will permit a Cabinet member, or any other high official of the executive branch of the Government, to be self-supporting while in office; so it would not be necessary for them to borrow money; so that they could live in a decent way on their salaries. In other words, it should not be necessary or essential for a person to be either a rich man or a crook in order to afford to hold some of these positions.

I think the committee, and properly so, has fixed the salary schedule for Cabinet members at \$25,000. I have no objection to that. My whole criticism of this legislation, and I do have criticism of it, is its timing. The Hoover Commission did recommend an adjustment of the salaries of higher officials in the executive branch of the Government. But the Hoover Commission also made a great many other recommendations. In fact, they made 317 other recommendations as to how greater efficiency and economy can be obtained in the operation of the Federal Government, insofar as the executive branch is concerned.

I am quite fearful that this bill is not timed properly. I am terribly concerned that if the first, or almost the first, of the Hoover Commission recommendations to be made effective is a law to increase salaries, that the charge may be made that the only interest of either the administration or the Congress has in the Hoover Commission recommendations is in those particular recommendations which would increase the cost of Government rather than decrease it.

The President has recommended this bill. He has acted under his proper rights and powers. But the President has also recommended a great many other measures to us. He has sent to the Congress a number of reorganization plans which, under the law that we enacted, the Reorganization Act of 1949, cannot possibly become effective under 60 days, or before August 19, unless the Congress should enact a joint resolution approving such plans.

We have a number of bills now pending before the Congress to carry out, or to put into effect, the recommendations of the Hoover Commission. As a member of the Committee on Rules, I had proposed that we not bring out this bill until we had first had the time and the opportunity to pass upon the President's reorganization plans, as he submitted them, and to otherwise bring about greater economy and efficiency in the executive branch of the Government; or at least until we have had an opportunity to enact and send to the President legislation such as, for instance, the bill for the reorganization of the Military Establishment, now before the Armed Services Committee, which would save a billion or \$1,500,000,000 a year, following which we could, in good conscience, point out to our constituents and the folks back home that one of the first steps we had taken was to put into effect the recommendations of the Hoover Commission which will bring about greater efficiencies and economies in the Government, and therefore, we feel that the men who will be responsible for making these new reorganization plans effective and workable are entitled to fair compensation.

Just one other thought. We have covered at least a great part of the waterfront in this legislation. But not all officials of the executive branch are covered. While I think the committee has done a pretty fair job, I believe there are some instances where perhaps some officials have been given larger salaries than deserved and have missed a few officials who are entitled to consideration. But remember one other thing. Until the President and the Congress have had an opportunity to study and to put into effect the reorganization plans as recommended by the Hoover Commission, we are not at all certain just what many of these officials will have to do, or what their responsibilities will be. In fact, we will not know whether some of them will even be in office. It seems to me it is only good, sound common sense to have postponed consideration of this legislation until we first had an opportunity to put into effect the economies and efficiencies which the Commission proposed



and which the President suggested in his reorganization plans. Certainly the President, who has sent us his reorganization plans, is just as desirous of having them approved by the Congress as he is in having this one bill enacted. In other words, I think we are considering this bill at the wrong time. The President, in recommending passage of this legislation, I am sure, had in mind that he also wanted these other reorganization plans and these other Commission recommendations made effective, so as to obtain the economy and efficiency in the Government that we desire.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. McCORMACK. I think my friend will admit that the President recommended increases in the executive branch before the Hoover report was made in its final report.

Mr. BROWN of Ohio. Yes; that is correct.

Mr. McCORMACK. So I think it is fair to say that the President probably knew in advance what the Hoover Commission recommendations would be, and I think it is safe to say that he did this independent of it.

Mr. BROWN of Ohio. No; I do not think so.

Mr. McCORMACK. Well, in any event, it was made before the final report was made.

Mr. BROWN of Ohio. Yes.

Mr. McCORMACK. Furthermore, I think the gentleman will admit—and I want to compliment him for the excellent work he did on the Commission, and Mr. Carter Manasco, for the way they represented with dignity and strength the House of Representatives. I think the gentleman will admit that we passed the General Property Administrative Act, which of course is one of the recommendations of the Hoover Commission.

In relation to the seven reorganization plans, what the gentleman said in relation to affirmative action by the Congress before 60 days, carries great weight. I can assure the gentleman that if the situation arises where that can be accomplished, I would be very interested in having it done, particularly if that would expedite adjournment of Congress.

Mr. BROWN of Ohio. I had that in mind, I might add. I thank the gentleman very much.

Now, I want to bring out one other thought. We now have a number of bills before the Congress to increase the pay of numerous other Government workers. The pressure for these increases has been pretty strong. Such employees have received pay increases in the past while many individuals covered by particular legislation have received no pay increases. But just the minute that this pending bill is enacted into law the pressure and the demand for the increase of pay for other Government workers is going to increase tremendously. At this moment we are faced with a great steel strike. There are many other demands for increased pay in industry. So I am still wondering,

and still asking the question—and it is a question each Member of this Congress will have to answer for himself—whether or not this is the proper time to take this particular salary-increase action. We all want to see these top-ranking officials treated fairly. Perhaps they should have some assurance given to them that they are to receive fair consideration at the hands of the Congress. But I doubt the wisdom of passing this bill before we are able to point out to the American people the many savings we have made through putting into effect the President's reorganization plans and the recommendations of the Hoover Commission.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CASE of South Dakota. I appreciate the gentleman's yielding, because I want to call the attention of the Members to the fact that this bill does some strange things: The Director of the Federal Bureau of Investigation and the Director of the Central Intelligence Agency today each receive \$14,000. This bill proposes to give the Director of Central Intelligence an increase from \$14,000 to \$17,500, whereas the Director of the FBI is raised from \$14,000 to only \$15,000. At the same time, however, it puts the Director of the Administrative Office of the United States Courts up to \$17,500, an increase from his present salary of \$10,330; that is, it puts the Director of the Administrative Office of the United States Courts on the same level as the Director of Central Intelligence, but the Director of the FBI is put on the level of the Public Printer, at \$15,000.

Mr. BROWN of Ohio. I assure the gentleman that it is indeed a very difficult task to attempt to decide just what salaries should be increased and what such increases should be. As I have tried to point out this morning, the basic issue involved in the consideration of this legislation is one of timing. And I do not believe this is the proper time to consider this bill.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. SABATH. As to the timing, the bill has been reported and has been in the Rules Committee for nearly 2 months, held there because it was my desire to ascertain from the country how the country felt about this great question. Issues have been made and the question was raised whether it was proper or not. Let me say that up until now I have not heard anyone objecting to the passage of the bill; on the contrary, I have heard from hundreds of people who feel that it is justifiable and that it should be passed at this time.

Mr. BROWN of Ohio. I appreciate the gentleman's remarks. I might add that I, also, have heard from literally thousands upon thousands of American citizens who are vitally interested in putting into effect the recommendations of the Hoover Commission and to thus bring about greater economy and efficiency in the conduct of the public business. I have also heard from many

thousands of citizens who are saying that in the face of present deficit in the Federal Treasury, and the decline in the Nation's business activity, that we must practice economy and efficiency.

My one thought has been, and still is, that we should first demonstrate—before enacting legislation like this—to the people of America our great determination here in the Congress, and the desire and determination of the President, to get greater economy and efficiency in the operation of the Government by actually effectuating the Hoover Commission's recommendations through the prompt enactment of necessary enabling legislation.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. MILLER of California. I wish to call the gentleman's attention to the fact that the first legislative consideration of this question was by the committee of the Senate in the Eightieth Congress, a committee headed by Senator Flanders.

Mr. BROWN of Ohio. I understand that; I am fully informed on the history of the legislation. I thank the gentleman very much for his remarks, but I must hasten along, as I have so many requests for time.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. REES. These thousands of letters received by the distinguished gentleman from Ohio were not with respect to this measure but with respect to putting into effect the Hoover recommendations, were they not?

Mr. BROWN of Ohio. Absolutely, yes; my correspondents were all interested in getting more economy and efficiency in the executive branch of the Government.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. O'HARA of Minnesota. Will the gentleman tell us what the over-all cost of this bill will be?

Mr. BROWN of Ohio. That information is given on page 3 of the report. I think it will cost about \$1,237,177.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. BROWN of Ohio. It is not the cost of this bill which gives me the greatest concern. It is simply the principle involved, and the fear that many of the good people of our country may misunderstand our action. They are interested in less public spending rather than more. Let us first demonstrate to them our interest in making our Government more efficient and less costly. Then they will gladly approve any action we may take to fairly pay and properly compensate those who can run our governmental agencies in an efficient and economical manner.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, at the outset of my remarks I beg to be permitted to congratulate our distinguished friend from Ohio [Mr. BROWN] for the state-



ment he has made. The temper of his remarks is splendid and I think I may make the observation on the point he stresses that I get the impression that the President has great respect for the report of the Hoover Commission and that it is reasonable to suppose he will continue to recommend legislation which would put more of the recommendation contained in that report into effect. Obviously the whole program cannot be adopted at one and the same time. You have to do it by piecemeal.

Mr. Speaker, if, as a Member of this House, I have not established a reputation for candor and independence of thought, then I fear that what I have done has been of too little consequence to merit attention. But whatever the fact may be, I do feel that I have established the right to appeal to the conservative membership of this body, which I now do.

The bill which the pending resolution makes in order is not political in character, and I hope it will not be treated as such. It comes to us as a request from the President for the increase of the salaries of members of his official household and others for whom he is responsible, and by reason of its very nature it is a request that amity and mutual respect compel us to honor. We need to promote harmony and conciliation and to cherish mutual good will as between the Executive and the Congress.

This is not an ordinary recommendation for legislation. Only the question of salary for a comparatively few people is involved. We pass laws which the President is compelled to execute, and here it is said that in the performance of this duty, in order to keep good and efficient people, and to attract others, salaries should be increased, and since we determine these questions for ourselves by fixing our own salaries and those of our employees, are not the President's wishes entitled to special consideration? To fail to honor this draft which he has drawn upon the good will of this body would, in my opinion, be a thoughtless disregard of ordinary propriety.

The greatest good that we can do our country is to do our part in promoting good will and drawing together the three departments of Government into a bond of mutual understanding and good will and win the confidence of all the people in order that we may present a solid front to that part of the world that is hostile to our way of life.

The office of the Presidency is a difficult one to fill. While it is a place of splendor, fame, and power, it is also a place of infinite toil. The present occupant of this high station wears his honors with becoming dignity and exercises his powers with great caution. He takes praise with great modesty and bears criticism and calumny with extreme patience. I think he is entitled to our support in all instances where we do not divide on principle. I think this salary bill is one that we should all support.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Speaker, in discussing this bill, we are considering the rate of compensation of the men who are responsible for carrying out the policies determined upon by this Congress, the men whose qualifications and ability play a large part in determining whether these policies succeed or fail. We are considering the salaries of senior officials of the largest business in the world, the United States Government.

I do not need to quote figures to illustrate the discrepancies between the present salaries of these men and those of officers of other large businesses. This discrepancy is so well known that the Congress should have done something about it sooner. How many large corporations have a president, who could be secured for \$15,000 per annum? More pertinent perhaps is the question: How many qualified men could they find who would be willing to serve for such salaries? And yet those are the salaries now paid to men who are responsible for the lives, safety, and well-being of 150,000,000 stockholder citizens.

We do not mean to say that the salaries of these officials should be commensurate with equivalent positions in private business. This is not necessary to enable the President to obtain qualified people. I like to think that every American is anxious to serve his country when called and that we do not have to offer what he can earn elsewhere as an inducement. However, the compensation must be sufficient to enable qualified men to accept important positions with the Federal Government at not too great a personal sacrifice.

General Marshall, when he was Secretary of State, said on several occasions that he was unable to attract the caliber of top staff required in the conduct of foreign relations because of the low salaries which he was able to offer. He added that he was also unable to keep a number of able employees in the Department because he was unwilling to ask them to stay at the expense of their financial security.

The Congress has recognized inadequacies of top Federal salaries on numerous occasions. Perhaps the most striking example, in the field of foreign relations, was embodied in the Foreign Service Act of 1946. A new scale of ambassadorial salaries and allowances was authorized. These salaries ran to \$25,000 a year for class I posts, such as London, Paris, and so forth. The act also provided that the top class of Foreign Service officers should be paid \$13,500 a year. Under the provisions of this act, top officers are brought in from the field to work beside other officers receiving \$3,000 less per year.

In the act establishing the Economic Cooperation Administration, the Congress also provided for salaries beyond those which have been traditional in the Federal service.

It is impracticable to deal with the salary problem on this piecemeal basis. Inevitably, it results in inequities which tend to aggravate rather than solve the difficulty.

The problem of obtaining and keeping able men in the positions covered by this

bill at the present salaries is not a theoretical one. It is one that has arisen many times in the past. We cannot estimate how many men have turned down requests to serve because they could not afford the financial sacrifice. Many who have served their country well and whose loss has been a great misfortune have had to resign because they could no longer afford to support themselves and their families. To mention only a few, there was the late Harold Smith, competent and able Director of the Bureau of the Budget, who found he could not make ends meet on a \$10,000 salary; Gen. John H. Hildring, former Assistant Secretary of State; and Mr. Robert Freer, former Commissioner of the Federal Trade Commission.

We now have an opportunity to rectify this deplorable situation. The total cost for the Government in all departments will be \$1,237,173 annually. This is, indeed, a small price to pay.

May I point out to you that everybody agrees that the Secretary of State should receive at least \$25,000 a year. To me the Under Secretary of the Department of State would be underpaid at \$20,000 a year, considering the work and the responsibilities he has to assume. The Administrator for Economic Cooperation under this bill, to paraphrase Mr. Hoffman himself, is the biggest bargain the United States ever got for \$20,000, the salary to which this key position is to be raised.

The Assistant Secretaries of State, 10 of them, and the Department of State counselor, are only being raised to \$15,000 a year under this bill. From my own personal knowledge as a member of the Committee on Foreign Affairs, these competent men have responsibilities that are gigantic. They have such responsibilities, that the United States must have the best men, properly trained and dependable, to take the far-reaching responsibilities and follow them up.

Because of the far-reaching extent of these responsibilities which carry out the administration of American foreign policies, the American public will not find it out until too late if there are mistakes. Competent key men of the State Department who are the real executives of American world policy which the President, Congress, and the Secretary of State formulate are: the present experienced counselor of the Department of State, George F. Kennan, just confirmed by the Senate to succeed the able previous counselor, Charles E. Bohlen, who is to be sent to the Embassy in Paris; Dean Rusk, Assistant Secretary of State and Deputy Under Secretary handling substantive matters in the State Department; quiet and efficient John Peurifoy, Assistant Secretary of State and Deputy Under Secretary in charge of all administrative matters for the State Department; genial and competent Ernest Gross, Assistant Secretary of State for congressional relations; Willard L. Thorp, Assistant Secretary of State for the involved field of economic affairs; George Allen, Assistant Secretary of State in charge of that important field, public affairs and public liaison; John Hickerson, Assistant Secretary for the



expanding field of United Nations affairs; Edward Miller, Assistant Secretary for American Republic Affairs; George Magee, Assistant Secretary for Near Eastern and African Affairs; George Perkins, Assistant Secretary for European Affairs; and last but not least, affable and experienced Walton Butterworth, nominated as Assistant Secretary of State for Far Eastern Affairs. These men are a credit to the Department of State, and the country.

Our foreign relations are so dependent on such personnel that we may run into a national disaster if the United States Government does not get the proper men in the future, and keep these invaluable and experienced people in our State Department.

We members of the Foreign Affairs Committee in the House know of the vital need, and can heartily recommend to the Congress the expenditure under this bill of only \$70,000 per annum additional for the whole Department of State. Such recognition of key personnel carrying the executive and policy load of the State Department is in direct keeping with the recommendations of the Hoover Commission, and is therefore nonpartisan. It is sound business sense and good doctrine for the Republican and Democratic parties alike. I strongly urge your support of this legislation as reported by the Post Office and Civil Service Committee.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Speaker, I am in favor of reasonable increases in salaries for those in major positions in the executive branch of the Government. I am not in favor of unreasonable increases for those in either major or minor positions.

My criticism of the bill as it now stands, without having had much time to study it, is that in some instances, it goes too far in the increase of salaries, that in one or two other instances it does not go far enough; and that it is poorly drawn in that it includes in the same salary brackets positions which cannot possibly be fairly considered as comparable, one position being far more important than another.

I believe the measure deserves far more careful consideration and amendment before it is enacted into law.

I admit that it is difficult to determine upon a yardstick with which to measure executive salaries. But let us take as one yardstick the ablest United States Senator that anyone can think of, who may have given the best years of life to the service of his country and who today commands a salary of \$15,000.

This bill proposes in class 1 to pay every Cabinet officer \$25,000. I do not object to this particularly in itself, but I point out in passing that it means paying every Cabinet officer \$10,000 a year more than we pay any United States Senator.

In class 2, which is to receive \$20,000, you will find the Chairman of the Coun-

cil of Economic Advisers, now drawing \$15,000, and every Under Secretary in every executive department in the Government now drawing from \$10,000 to \$12,000. In other words, Mr. Speaker, every Under Secretary, who heretofore has had from \$10,000 to \$12,000, is now to receive \$5,000 more than we pay any United States Senator and, incidentally, it is to be bracketed along with the Administrator for Economic Affairs, Mr. Hoffman, and with the Administrator for Veterans' Affairs, General Gray, both of whom fill tremendously important and tremendously difficult positions.

The President is to pay 12 administrative assistants and secretaries a total of \$206,000 as compared with a total under present conditions of \$130,000—two will receive \$20,000, three will receive \$18,000, seven will receive \$16,000.

In the \$18,000 bracket you find the Federal Works Administrator now drawing \$12,500, the Assistant Comptroller General now drawing \$10,330, and the Assistant Director of the Bureau of the Budget now drawing \$10,330. All will receive \$3,000 more than any United States Senator. Moreover, Mr. Speaker, if I read section 6 of this bill correctly, it will be within the discretion of the President to put any head of any board or any commission into that \$18,000 bracket. Surely this is a matter for the Congress to determine in any given case.

In the \$17,500 bracket you will find the Director of the Administrative Office of the United States Courts, now drawing \$10,330; the Public Printer, now drawing \$10,330; the Librarian of Congress, now drawing \$10,330; the Council of Economic Advisers, other than the chairman, now drawing, \$15,000. All of these will receive \$1,500 more than any United States Senator.

In the \$16,000 bracket there is a whole string of commissioners, of the Federal Communications Commission, of the Federal Power Commission, of the Federal Trade Commission, of the Securities and Exchange Commission, of the Civil Service Commission, of the Tariff Commission, all of whom have been drawing \$10,000; as well as the Architect of the Capitol, now drawing \$10,330. All are to receive \$1,000 more than any United States Senator.

Included in the financial classification with a United States Senator, to receive \$15,000, we find among others: The Archivist of the United States, now drawing \$10,000, the Indian Claims Commissioners, now drawing \$10,500; the War Claims Commissioners, now drawing \$12,000; the Chief Assistant to the Librarian of Congress, now drawing \$10,330; the Deputy Public Printer, now drawing \$10,330; and every Assistant Secretary in every executive department.

Why, Mr. Speaker, should Edgar Hoover, with his tremendous responsibilities and tremendous success, be classified at \$15,000, when the Director of Central Intelligence is to receive \$17,500?

Why should every Under Secretary in the executive departments receive \$5,000 more than any United States Senator?

Why should every Assistant Secretary in the executive departments be bracketed with a United States Senator?

Why should officials with comparatively minor responsibilities be bracketed with others with heavy responsibilities?

I repeat, Mr. Speaker, I am in favor of reasonable increases in salaries for those in major positions in the executive branch of the Government. I repeat that this bill in my judgment deserves most careful consideration and amendment before it is enacted into law.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may require to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, before salaries of the heads and assistant heads of the executive departments are increased, the economies recommended by the Hoover Commission should be carried out.

It is unfair to expect the taxpayers to shoulder this pay raise recommended by the Hoover Commission until the other Commission recommendations to eliminate waste and duplication are adopted.

It has been reliably estimated that if this Commission's proposals are put into effect, the cost of government would be cut \$3,000,000,000 a year. When this reorganization is accomplished, the people can be assured we have executives heading the departments. That will be the time to present the question of their pay increases.

I expect to vote against this bill to increase Government costs by raising salaries of the heads and assistant heads in executive departments.

Finally, if the Hoover recommendations are adopted with the resultant saving of three billions, we can then quickly repeal the wartime excise taxes on such items as ladies' handbags, toilet articles, beauty and barber supplies, furs, jewelry, transportation and communication charges, and all other wartime excise taxes which are now causing undue hardship.

These excise taxes are now forcing businesses to the wall and are destroying jobs.

There is, therefore, a twofold necessity for defeating the measure before us.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I intend to support this rule, and I intend to vote for the bill both in Committee of the Whole and in the House. I rise at this time to make a very brief explanation as to why I will not offer any amendments to the bill as originally announced by me.

As you probably know, the gentleman from New York [Mr. KEONH] has introduced a separate bill to increase the salaries of members of the judiciary. That bill is now before the Committee on the Judiciary, and the distinguished chairman, the gentleman from New York [Mr. CELLER], has assured me that the bill will be considered by his committee shortly, and that, if at all possible, it will be reported to the House in time to be enacted at this session.

My own bill for the increase of our salaries is before the same committee which has reported this bill and I have been assured by the distinguished chairman [Mr. MURRAY] that that bill also



will be called up before his committee for early consideration and, if it is there acted on favorably, it will be reported for our action shortly thereafter.

I want to direct the attention of the Members of the House to the fact that not only has the Hoover Commission and the President recommended an increase of salary both for the judges and Members of the House, but the Director of the Budget has sent a communication to our distinguished colleague [Mr. MURRAY] which he has authorized me to refer to at this time. The Budget Director under date of June 24, 1949, said:

While the bill deals with the question of whether this proposal—

Meaning the increase of salaries for Members of Congress—

is one for the Congress to resolve, it is significant that the President on several occasions indicated his feeling that adequate compensation should be provided for our Federal legislators.

Mr. Speaker, this bill is a step in the right direction.

The bill to increase the salaries of members of the judiciary is another step in that direction. I submit that my bill to increase our own salaries is also a step in the right direction, if you want men and women of the high type and caliber that we ought to have in high position in our Government, you should pay them, and pay them well.

I will withhold my amendments with reference to salary increases to judges and Members of Congress in reliance on the assurances given to me that those bills will be submitted to us for separate consideration.

An almost unanimous press is supporting us in this effort to adequately compensate the Members of Congress as well as those executives and judges who are now being underpaid.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Speaker, if, as the Associated Press reports, the President's court jester, General Vaughan, knows 300 people in Washington who are selling their influence with highly placed Government officials for 5 percent or any other consideration, he should be required to testify to these facts before one of the committees now engaged in looking into these reprehensible practices. It is equally important, if his charges of corruption are not well-founded, that he be required to remove the stain he has cast upon every procurement agency in the Nation's Capital.

Some of the assertions of this intimate of the President can safely and preferably be ignored, but here is one to which this Congress cannot shut its eyes.

If favoritism concerning the reward of contracts and the sale of influence have reached the gigantic proportions which General Vaughan indicates, and he is certainly in a position to know what he is talking about, the public interest requires a full and open disclosure by him of name, chapter, and verse to substantiate his charges.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, I am persuaded that the House has sufficient information to pass on this resolution and that it will be adopted. It would, I think, be unfortunate if before the consideration of the bill, attention was not directed to the superior report accompanying this legislation, which was filed by the gentleman from Tennessee [Mr. MURRAY], chairman of the great Committee on Post Office and Civil Service. This is a document of permanent value and I am sure all of you will want to keep it in your office for reference. It outlines the functions of the 244 positions affected by this bill. I am pleased to have a copy of the report and find it very useful. Members of the Committee and their splendid staff are entitled to a commendation for this report.

I join with every member of this body in a sincere desire to effect economy and reorganization in the executive branch of the Government. The Hoover Commission has made recommendations similar to those proposed by this legislation. In my judgment it cannot be rightfully said that this is a salary-increase bill. It is a measure that reevaluates the work and responsibilities of the positions covered. It does result in salary increases.

Significantly, it is the first time this has been accomplished in a quarter of a century. I could not support this measure if it were a question of raising the salaries of personalities now connected with the Government, for the philosophy of some of them is foreign to mine. It is a healthier bill than that, one attempting to place the position involved in its proper stature.

Your Committee on Post Office and Civil Service held exhaustive hearings. It is a conservative committee and their recommendations are entitled to the most serious consideration. At all times I enjoy working with this committee because its members, both Democratic and Republican, sincerely give their best to the improvement of our Government service.

I am very fond of my Government. It has been very good to me. I dislike the unfortunate attitude today of so many commentators and newspaper and magazine editorial policies which would tear down the confidence of the people in their Government and ridicule those of us who serve in government, whether it be in the legislative, judicial or executive branch. It is conceded to be the best form of government in the world—so good is it, in fact, that the men who serve in it can do it very little lasting harm. It is bigger than all of us, and this, to me is an expression of confidence, not only in the form of government, but in the sincere and able people who serve in it.

Comparatively, this is not an expensive bill. For example, and I do not mean this as an odious comparison, if you did away with the potato program for 2 days, it would pay for this bill for an entire year. The cost is insignificant. It is significant, however, to recognize the importance of the work and responsibilities of the 244 positions covered by this bill. I am often in agreement with my colleague in the Committee on Rules, the gentleman from

Ohio, [Mr. BROWN]. I do not agree with him, however, that it is untimely to bring this bill to the floor. During the time I have been in the legislative body, I have never found it timely, politically speaking, to increase the salary of anyone connected with government, but that is a responsibility I share with you, the responsibility of making the Government service as useful and effective as possible.

The positions involved in this measure are charged with great responsibilities. The President has strongly urged that they be reevaluated and reclassified, and compensated accordingly.

The statement made by my distinguished friend, the gentleman from Georgia [Mr. COX], eloquent and persuasive, should have convinced the entire membership that we should pass this measure.

Mr. Speaker, I urge the adoption of the rule and the immediate consideration and passage of H. R. 3191.

(Mr. LYLE asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Speaker, this bill has not had the careful consideration to which it is really entitled. My attention has been called to the fact that there is only \$1,250,000 involved. They say it is conservatively small. There are only 244 out of 2,000,000 employees involved. However, in this bill, if you had the time to study it, you would find that it covers only a few of hundreds more who are just as much entitled to an increase as those in this bill. I know of a good many faithful career people who are much more entitled to this consideration. As a matter of fact, the committee put in about 40 or 50 positions that were not in the original bill.

I think the bill is untimely. To bring a bill to the floor of this House and give us 30 minutes on each side to discuss an important measure is wrong. That is all we are allowed to discuss this bill, except under the 5-minute rule.

I hope to speak again later and will outline my views, but I want to call attention to an amendment that I expect to offer at the proper time, that will reduce the amounts that are paid to a number of the people in these various categories. A great deal has been said with respect to pressure on the part of the President to secure this legislation. Many Members could tell you, if they would, that they have had pressure not only from the President but from heads and assistants of agencies involved.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. SABATH. Mr. Speaker, I yield one additional minute to the gentleman from Kansas.

Mr. REES. I say to you that this bill should have had not only more careful study in the committee but also on the part of the membership of this House, because you are establishing a policy of which this million and a half dollars is only the beginning. It has been suggested that it is very little; to the taxpayers it is considerable. This is only



part of millions more costs proposed by Members of this House before the committee of which I am a member. Should our committee report out the bills that have been proposed by Members of the House we would increase the cost of Government for employment more than \$2,000,000,000. Mark you, if this bill is passed—if that is what you want—if this bill is passed you have many more bills just as worthy as this one. At the proper time I shall offer a substitute bill and ask you to reduce the payments recommended in this bill.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from New York [Mr. CELLER] such time as he may desire.

Mr. CELLER. Mr. Speaker, I am happy to have this bill considered and pleased to vote essential increases to various members of our executive branch. As chairman of the House Judiciary Committee, I have almost daily contact with my esteemed friend the distinguished Attorney General. Our committee and the Department over which the Attorney General presides work in closest harmony. I am gratified that that is so. Permit me to express some pertinent observations concerning the Honorable Tom Clark and his able assistants.

The Attorney General is the chief law officer of the Government and is the legal adviser to the President and the heads of the executive agencies. Also, he is the head of the Department of Justice, an organization of 27,000 persons serving in all parts of the United States, its Territories and possessions, and which operates at an annual expenditure of approximately \$130,000,000. He has under him the Solicitor General of the United States, the Assistant to the Attorney General, the Assistant Solicitor General, seven Assistant Attorneys General and the heads of three major bureaus, namely, the Immigration and Naturalization Service, the Federal Bureau of Investigation, and the Bureau of Prisons.

The office of Attorney General was created in 1789, the annual compensation being fixed at \$1,500. There were steady increases in compensation through the years until 1870, when the Department of Justice was created and the Attorney General's compensation was fixed at \$10,000. At that time the Department consisted of a handful of persons with an annual budget of around \$1,000,000. In 1925 the Attorney General's compensation was fixed at \$15,000, the same rate as at present. The Department at that time comprised 3,400 persons, with an annual expenditure of approximately \$15,000,000. Although the responsibilities and duties of the Attorney General and his subordinates have increased tremendously since that time, the compensation of the office has remained the same. While the position has attraction because of its prestige and importance, the fact remains that men of great ability and qualifications but with limited financial means are unable to accept it. Others cannot remain in the position for any length of time without great financial sacrifice. In England, the salary of

the Attorney General is fixed at 10,000 pounds—roughly \$44,000 at today's rate of exchange; furthermore, that official has substantially fewer responsibilities than those which rest on the Attorney General of the United States.

It is no secret that the top men in the legal profession in this country are earning far in excess of what the Attorney General is paid, and very frequently get one fee in a single case far in excess of the Attorney General's annual salary. If nothing more than to command respect in the profession in which the Attorney General is regarded as one of the outstanding members, the compensation of the office should be more nearly commensurate to its exacting duties and responsibilities. The Department of Justice is vital to the business and welfare of the Nation, and the security and protection of our economy rests in large measure upon the proper conduct of its work. No business enterprise which has had the growth and expansion in size and responsibilities comparable to the Department of Justice would leave the compensation of its executive head at the same level as it was in its early and formative period.

The top officials of the Department included in the pending compensation bill are the Solicitor General, the Assistant to the Attorney General, the Assistant Solicitor General, seven Assistant Attorneys General, the Director of the Federal Bureau of Investigation, the Director of the Federal Prison System, and the Commissioner of the Immigration and Naturalization Service. With the exception of the Directors of the Federal Bureau of Investigation and the Federal Prison System these are all statutory positions requiring Presidential appointment and confirmation by the Senate.

To raise the salaries of these positions, including that of the Attorney General, would amount to an additional cost of less than \$90,000 a year as presently contemplated, which is far less than the fee frequently paid opposing counsel in a single important case. The Department is a highly organized professional and technical office handling litigation involving billions of the Government's money and property. The heads of the divisions and bureaus have exceedingly heavy responsibilities, which have increased enormously in the last few years. The work of the Federal courts has greatly expanded, and the complexity of present-day governmental responsibilities has given rise to an extended range of legal and administrative problems.

The leading practitioners in the legal profession are earning far more than the heads of the legal divisions in this Department. Naturally they are very reluctant to give up lucrative practices to take positions such as these. If they do make the sacrifice, they are then under continual temptation to yield to the demands of society and their families in order to earn enough to live at a standard commensurate to their positions and responsibilities. This results in a great turn-over in these positions, with the resultant loss in continuity of direction and policy in the operation of

the various units. Much ground is lost each time in adjusting to new direction and control, to the detriment of the Department and the public.

It is urgently necessary that the salaries of the top officials of the entire Government be fixed at a level which will attract men of great capacity, capability, and sound judgment. In the case of the Department of Justice it is further necessary that such men have the caliber to be recognized and respected by the legal profession. The increase in compensation would only partially offset the pressures and burdens which they must face in carrying out the duties and responsibilities of their positions. Under the present salary scale and conditions now prevailing economically the President and his Cabinet officers are faced with a serious problem in attracting high-caliber, well-qualified men. The problem facing the Attorney General in this respect is one of particular difficulty, for the reasons which have been set forth above.

(Mr. CELLER asked and was given permission to revise and extend his remarks.)

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. McCORMACK].

The SPEAKER. The gentleman from Massachusetts is recognized for 9 minutes.

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, I think the remarks made by my very able and distinguished friend the gentleman from Georgia [Mr. Cox] were not only dignified but also very effective. He set forth the reasons why this bill should pass. He referred to the spirit of amity between the various branches of Government, and certainly that is a compelling thought. Amity exists not only between the two bodies of the Congress but also between the branches of Government on matters directly connected either with the legislative branch in the case of our particular branch of governmental organization, the House and the Senate, and matters directly connected with the executive branch of Government. The President, on his side, has clearly evidenced a feeling of amity for the House of Representatives recently when he signed H. R. 4583, giving us the additional clerk. At that time he said:

I have signed this act willingly—

Notice the word "willingly," a complete expression of understanding and amity—

I have signed this act willingly, for I believe that it is in the interest of the Government and of the people to provide for the efficient conduct of the public business.

The President recognized that when we passed that act that we did so in the interest of efficiency in Government.

The President concludes his message with this statement:

For the compelling reasons set forth, I believe that the legislation now pending to increase the salaries of officers in the executive branch is a fundamental step toward the more effective operation of the Government.



I get a good deal of amusement from the President's message because he "willingly" signed the bill which related to the House of Representatives, but called attention to his problem in connection with the bill which is now before the House. I hope that this will not develop into a partisan question simply because President Truman is a Democrat; certainly if the incumbent of the White House were a member of the Republican Party I would support his request; for if the President under such circumstances—and, of course, it will not happen for many, many years—were to be a Republican, I would recognize the amity between the two branches, and I would recognize his justification for such a request.

Some Members have referred to the fact that the bill has not been considered carefully. If ever a bill was considered carefully this bill has been. It was introduced on January 20, 1949, and the matter has been the subject of consideration by a Senate committee in the last Congress.

The bill now before us represents a compromise. The gentleman from Tennessee [Mr. MURRAY], chairman of the committee, proposed a compromise and the committee adopted his compromise which reduced the amount contained in the original bill.

The gentleman from Ohio [Mr. BROWN] admits that the legislation is justified and does not argue against the bill. He disagrees with the timing. Of course, that is only a technical objection, which means that he supports the bill, he is in favor of the bill, because otherwise he would be placed in the very embarrassing position of opposing the very recommendations of a commission of which he was a member. Repeatedly throughout the Hoover Commission report are contained references to the fact that the particular officials enumerated in this bill have not received the consideration they are entitled to. For example, in one report it is stated:

In order to attract the most desirable types of persons to department high commands, the salaries of under secretaries and assistant secretaries should be increased.

Again in the same report there is another reference to it. In this report there are several references to it. Here is another report of that committee, the report to Congress of February 1949, in which it is stated at one place:

To all other employees whose rates of pay are fixed on a Nation-wide basis, the President should be authorized to direct the Civil Service Commission to review—

And so forth. In relation to the bill now under consideration it calls attention to the fact that pay in the lowest grades has been increased between 43 and 56 percent, while pay in the highest grades has been increased only 15 percent, immediate consideration should be given to providing adequate salaries for top civil-service employees, with the exception of professional, scientific, technical, and so forth. Most, if not all, of those covered by this bill are non-civil-service people. The last time a Cabinet officer received an increase was in 1925. The Cabinet officers have not received an

increase in salary since 1925. Most of the officials covered by this bill, other than members of the Cabinet, such as assistant secretaries, have received no increase in salary since 1925.

The last time the members of the Federal Trade Commission received an increase in salary was in 1914 when the salary was established at \$10,000. That is still the salary of members of the Federal Trade Commission. The last time members of the Cabinet received an increase was 24 years ago; in the case of members of the Federal Trade Commission it was not 24 years ago but 35 years ago.

So it seems to me that equity and justice calls for this change. If there is some particular position that should receive more, that is another proposition entirely. An amendment may be offered to cover the matter. Reference has been made to J. Edgar Hoover. I may say that I offered an amendment and the Subcommittee on Appropriations agreed to it back 3 or 4 years ago when Mr. Hoover got his last increase from \$10,000 a year to \$14,000 a year. I offered the amendment on the floor of the House, and the subcommittee of the Committees on Appropriations on both sides accepted the amendment.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman would not say now that the Director of the FBI should be put on the same salary as the Deputy Public Printer, would he?

Mr. McCORMACK. I was coming to that, to say that those who feel that he should receive more than this should offer an amendment to the bill at the proper time, and I am pretty satisfied when that is done that the high regard for the public service of J. Edgar Hoover would probably be very quickly recognized.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I might state to the gentleman that I have prepared an amendment so that he will get at least \$17,500.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Nebraska.

Mr. STEFAN. When the majority leader offered his amendment to increase the salary of Mr. Hoover from \$10,000 to \$14,000, it was originally planned to increase it to \$15,000.

Mr. McCORMACK. Yes.

Mr. STEFAN. But because his chief, Tom Clark, the Attorney General, was getting \$15,000, we did not think it was fair to put the two on the same basis.

Mr. McCORMACK. The gentleman is absolutely correct.

At that time I was going to offer an amendment to increase his salary to \$15,000, but the Attorney General only received \$15,000, and it was felt that the head of the FBI should not receive the same salary as the Attorney General.

So, my special plea is that the bill should pass. If there is dissatisfaction with some particular classification or position here offer an amendment to it, but let us consider it as we have today during general debate on a nonpartisan, nonpolitical basis because the bill is predicated upon justice and equity, and bring about greater efficiency in government.

The SPEAKER. The time of the gentleman from Massachusetts has expired. All time has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MURRAY of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1689, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

(Mr. MURRAY of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. MURRAY of Tennessee. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill under consideration proposes to establish the proper rates of annual compensation for heads and assistant heads of the executive departments and independent agencies.

Extensive hearings were conducted by the committee, and witnesses appearing represented the General Accounting Office, Bureau of the Budget, Civil Service Commission, and the Commission on Organization of the Executive Branch of the Government. Executives in private industry, and representatives of Federal and postal employee organizations support the legislation.

In its report to the Congress in February 1949, the Commission on Organization of the Executive Branch of the Government, usually referred to as the Hoover Commission, stated that the Congress should "increase legislative, judicial, and executive salaries at the level of assistant secretary, or its equivalent, and above." The bill approved by the committee establishes annual compensation consistent with the report of the Commission's task force.

The committee has prepared an extensive report regarding this legislation (H. Rept. 535), which not only analyzes the legislation in detail, but Appendix B on page 16 contains the following information regarding each position covered by the bill: Position title, present salary and date established, proposed salary, incumbent, responsibilities and size of organization, including number of employees and estimated annual expenditures for fiscal year 1949. I trust



the Members will avail themselves of the information contained in this report.

On January 1, 1949, the President wrote to the Speaker of the House requesting "that the Congress take prompt action to increase the compensation of the heads and assistant heads of the executive departments and of other Government officers of comparable rank." In his letter he stated that "inadequate salaries have long made it difficult to obtain and hold able men for positions of greatest responsibility in the Government service. The national interest requires that we get and keep in these positions the most capable men and women that can be found. To do this, we must pay fair salaries. I ask the Congress to give me the means which will make it possible for me to get and keep the men who are required for the job ahead."

On June 23, 1949, in his message to the Congress in connection with his approval of H. R. 4583, relating to telephone and telegraph service and clerk hire for Members of the House of Representatives, the President stated "I am urging increased compensation for Federal executives not primarily as a matter of equity—although it is well justified on equitable grounds—but primarily as a matter of good business from the standpoint of the Government." The President further pointed out that the Hoover Commission "urged more realistic salaries for Federal executives as a means of achieving greater economy and efficiency in governmental activities." Finally, he stated that "so long as the Congress fails to take this simple and obvious step to improve the Government service, there will be an important gap in our efforts to achieve economy and efficiency. I again urge the Congress to complete favorable action upon this legislation at an early date."

Section 1 establishes the compensation of the head of each executive department and of the Secretary of Defense at \$25,000 per annum. At the present time the compensation of Cabinet members is \$15,000 per annum, and in no case has been changed since 1925. I believe that upward revisions in the compensation of these important Government officials are long overdue and that the bill provides the correct adjustment in their salaries.

Section 2 (a) establishes the compensation of each Undersecretary of an executive department, the Assistant to the Attorney General, the First Assistant Postmaster General, the Solicitor General, the Comptroller General, the Director of the Bureau of the Budget, the Chairman of the Council of Economic Advisers, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, and Administrator for Economic Cooperation at \$20,000 per annum. In the bill as introduced, these salaries were generally set at \$22,500, but the committee agreed to reduce such compensation by \$2,500 annually.

Section 2 (b) authorizes the President to fix the compensation of his six administrative assistants, the Executive Secretary of the National Security Council and five other secretaries or staff assistants in

the White House as follows: Two at rates not exceeding \$20,000 annually, three not exceeding \$18,000 annually, and seven not exceeding \$16,000 annually. The committee reduced these rates \$2,500, \$2,000, and \$1,500 respectively, under the salaries provided in the bill as introduced.

Section 3 (a) establishes the annual compensation of the Assistant Comptroller General, Assistant Director of the Bureau of the Budget, Chairman of the Munitions Board, Chairman of the Research and Development Board, Chairman of the Atomic Energy Commission, Federal Works Administrator, Housing and Home Finance Administrator, Deputy Administrator of Veterans' Affairs, and Deputy Administrator for Economic Cooperation at \$18,000. The committee reduced such compensation by \$2,000 annually from the salaries in the bill as introduced.

Section 3 (b) establishes the annual compensation of the Director of the Administrative Office of the United States Courts at \$17,500, a \$2,500 annual reduction from the bill as introduced.

Section 3 (c) establishes the annual compensation of the Public Printer, Librarian of Congress, members—other than Chairman—of the Council of Economic Advisers, Director of Central Intelligence, Federal Mediation and Conciliation Director, and Assistant Federal Security Administrator at \$17,500. In the bill as introduced, these salaries were set at \$20,000 but the committee agreed to reduce such compensation by \$2,500 annually.

Section 4 establishes the annual compensation of the Board of Governors of the Federal Reserve System, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, the Chairman of the Board of Directors of the Export-Import Bank of Washington, the Comptroller of Currency, the Chairman of the Board of Directors of the Reconstruction Finance Corporation, the Chairman of the United States Maritime Commission, the general counsel of the National Labor Relations Board, the Architect of the Capitol, the Assistant Federal Works Administrator, and the members of the Civil Aeronautics Board, Federal Communications Commission, Board of Directors of the Federal Deposit Insurance Corporation, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, National Labor Relations Board, National Mediation Board, Railroad Retirement Board, Securities and Exchange Commission, Board of Directors of the Tennessee Valley Authority, Civil Service Commission, United States Tariff Commission, and Atomic Energy Commission—other than the Chairman—at \$16,000. In the bill as introduced, the majority of these salaries were set at \$17,500, and the committee agreed to reduce such compensation by \$1,500 annually. However, in the case of the members of the Atomic Energy Commission and members of the Board of Governors of the Federal Reserve System, such compensation was reduced by \$4,000 annually from H. R. 1689 as introduced, and the Chairman of the Board of Governors of the Federal Reserve System was re-

duced \$6,500 annually—see appendix A, page 14, House Report 535.

Section 5 establishes the annual compensation of the Housing Expediter; the War Assets Administrator; the Director of Selective Service; the Archivist of the United States; each Assistant Secretary of an executive department; the Fiscal Assistant Secretary of the Treasury; each Assistant Attorney General; the Assistant Solicitor General of the United States; the counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal; and the members of the Displaced Persons Commission, Indian Claims Commission, War Claims Commission, Philippine War Damage Commission, Board of Commissioners of the District of Columbia, Board of Directors of the Export-Import Bank of Washington, other than the Chairman, Board of Directors of the Reconstruction Finance Corporation, other than the Chairman, United States Maritime Commission, other than the Chairman, at \$15,000. In H. R. 1689, as introduced, these salaries were set at \$17,500, but the committee agreed to reduce such compensation by \$2,500 annually.

While this legislation was under consideration the committee added the following positions and increased their rates of basic annual compensation to \$15,000 annually: The Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Director, Federal Bureau of Investigation; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; the three Special Assistants to the Secretary of Defense.

Section 5 (b) establishes the annual compensation of the Assistant Director of the Administrative Office of the United States Courts at \$15,000, a reduction of \$2,500 annually from the bill as introduced.

Section 5 (c) establishes the annual compensation of the legislative counsel of the House of Representatives and the Legislative Counsel of the Senate at \$12,000 per annum.

Section 6 provides that the President is authorized in his discretion to increase the compensation of any chairman or other head of a board or commission to \$18,000 per annum, when such head has important duties or responsibilities not imposed upon other members of such board or commission. In the judgment of the committee, this discretionary authority properly belongs



to the President in connection with securing better administration and providing adequate compensation for increased duties and responsibilities of public officials.

Section 7 of the bill as approved by the committee contained annual pay increases of \$330 annually for officers and employees of the Foreign Service, and classified Federal employees in the municipal government of the District of Columbia retroactive to July 1948. This section was approved by separate legislation, H. R. 5100, which passed the House on June 20 and the Senate on June 30, and is now Public Law 160. Consequently, at the appropriate time, I shall offer an amendment on behalf of the committee to strike this section in its entirety.

The salary increases for these 244 Government officials will cost \$1,237,173 annually. This is a reduction of \$156,000 annually under the cost of the bill as introduced.

It is obvious that this small investment in dollars of securing and retaining highly competent Government officials will be beneficial to the American people. I believe that enactment of this legislation will provide appropriate incentive in terms of annual compensation to attract well-qualified and able top-level officials in the Federal Government. Occupying the positions covered by the bill, they should conduct the affairs of our country more efficiently and more economically. They will bring with them into the Federal service extensive experience in handling the affairs of companies in private industry. They will initiate new procedures and devices for decreasing the cost of Government which will result in savings of many millions of dollars which will more than offset the moderate salary increases proposed in the bill.

Since July 1, 1945, the annual compensation of Federal employees has been substantially increased. The heads and assistant heads of the departments and agencies covered by this bill have not received such statutory increases. Except in a few cases, upward salary adjustments have not been made during the past 25 years in the salaries of the 244 top-level officials included in the bill. Moreover, in those instances where the annual compensation of heads and assistant heads of independent establishments and agencies has been fixed since 1940, the salary adjustments have resulted in a disproportionate relationship between those positions and similar positions established prior to the war years.

In establishing the annual compensation for heads and assistant heads of agencies created since World War II, a more realistic approach has been made by Congress, for example, the Administrator for Economic Cooperation receives a salary of \$20,000 annually, the Deputy Administrator for Economic Cooperation \$17,500 annually, the Chairman of the Atomic Energy Commission \$17,500 annually, the Housing and Home Finance Administrator \$16,500 annually, and the members of the Council of Economic Advisers \$15,000 annually. In view of the recent action by Congress with re-

spect to these salaries the committee made only minor adjustments in them. Also, such congressional action served as a guide to the committee in establishing the compensation of the remainder of the positions covered by the bill.

I believe that the enactment of this legislation is necessary and consistent with a more realistic approach to good administration in the Federal Government.

#### SIGNING OF H. R. 4583

(Message from the President of the United States transmitting relative to signing H. R. 4583, and with the recommendation for passage of legislation raising the salaries of executive officers of the Government)

*To the Congress of the United States:*

I have today approved H. R. 4583, relating to telephone and telegraph service and clerk hire for Members of the House of Representatives. This act provides an additional allowance of \$3,000 a year for each Member of the House of Representatives for clerk hire and authorizes an allowance of \$500 a year for each Member for sending telephone and telegraph communications.

I have signed this act willingly, for I believe that it is in the interest of the Government and of the people to provide for the efficient conduct of the public business. I have no doubt that the benefits derived from this legislation will fully justify its cost, which is relatively small in the light of the magnitude of the problems confronting the Government.

I feel constrained to point out to the Congress again, however, an opportunity which it has for a greater improvement of the public service than will be accomplished by this legislation, and at approximately the same cost. I have heretofore recommended that the Congress enact legislation to raise the salary scales for the heads and assistant heads of executive departments and other officials of the executive branch having comparable responsibilities. Bills for this purpose have been reported from committees in both Houses of Congress and have been on their respective calendars for weeks. Though the salaries provided in these bills are not, in my judgment, fully commensurate with the great responsibilities of the positions involved, they would substantially better the present demoralizing situation. The cost of this legislation would be approximately \$1,300,000 annually, compared with \$1,314,000 for clerk hire alone under H. R. 4583, which I have just signed.

Important as it is for Members of the Congress to have adequate clerical assistance, it is at least of equal importance to have men of ability in the key executive positions in the Government. The best of laws can be ruined by poor administration. The success or failure of all the things the United States Government undertakes to do depends in large measure upon the wisdom and ability of these executives. It is upon them that we must rest most of our hopes for economy and efficiency in the Government. Even a small improvement in the economy and efficiency of the vast operations under the direction of these men is obviously of much greater consequence than the cost of the proposed salary increases. The soundness of this principle has been demonstrated in American business concerns, where it is well recognized that the success or failure of an enterprise depends largely upon its executive officers, and their salaries are fixed accordingly.

The relative salary position of Federal executives has become increasingly worse during recent years. There has been no increase in the salaries of Cabinet officers since 1925. Members of important commissions whose salaries were set at \$10,000 many years ago still get the same amount.

For example, the salaries of Federal Trade Commission members were fixed at \$10,000 in 1914 and have never been raised, although in terms of real income that amount, even before taxes, is less than half of what it was 35 years ago. The absurdity of the present situation is illustrated by the fact that many Federal executives now have assistants who receive higher salaries than they do.

The Congress has already recognized the need for greater compensation for other groups of Federal officers and employees, including the Members of Congress themselves. Prior to 1925 Senators and Representatives received an annual salary of \$7,500 each. At the same time Cabinet officers received \$12,000 and members of important boards and commissions received \$10,000. In 1925 the salaries of Senators and Representatives were increased to \$10,000 and those of Cabinet officers were increased to \$15,000. No corresponding general increase was made in the salaries of other executive officers. In 1946 the Congress further increased the salaries of Senators and Representatives to \$12,500, and at the same time provided for each of them a tax-free expense allowance of \$2,500. Because this allowance is tax-free, the compensation of Members of Congress is now equivalent to approximately \$16,000 a year. Thus, the compensation of Senators and Representatives has been more than doubled in the last 25 years, while there has been no general increase at all in the salaries of the executive officials here in question.

Over this same 25-year period the salaries of Federal judges have also been substantially increased. The salaries of district and circuit judges have been doubled, and those of Supreme Court Justices have been increased by more than two-thirds.

The Congress has also raised the compensation of the President, the Vice President, and the Speaker of the House of Representatives. The annual salary of the President was increased from \$75,000 to \$100,000 earlier this year, and at the same time he was provided with a \$50,000 tax-free expense allowance. While this increase was made without any recommendation or suggestion on my part, I am grateful to the Congress for the spirit which moved it to enact the increase speedily in order that I might receive its benefits. Nevertheless, the proposed increases for other officers in the executive branch, besides resulting in far greater public benefit than the increase in the President's salary, would actually do more to improve the President's personal situation than the increase in his own salary. For one of the greatest burdens of the Presidency is in finding and keeping good men for big jobs, and under present conditions that is a most difficult task.

The Congress has already recognized the need for increased compensation for Federal employees below the top executive level. Since 1945 the rates of compensation for these employees have been increased three times, largely to meet increased living costs. These increases have been proportionately greater in the lower grades than in the higher, and in the lower grades the total increases range up to 96 percent. The salary schedules for Federal employees still need revision, and I have recommended such revision to the Congress.

I thoroughly approve of adequate salaries for all our Federal employees. Increased prosperity for our Nation depends upon the constant betterment of the living standards of the great body of our citizens. In the promotion of the general welfare, Federal employees should not be neglected. However, I am urging increased compensation for Federal executives not primarily as a matter of equity—although it is well justified on equitable grounds—but primarily as a matter of good business from the standpoint of the Government.



It is customary in private industry for an executive to be paid many times as much as he would be paid for comparable work in Government service. Salaries of \$50,000 to \$100,000 a year in private industry are not uncommon. In 1948, General Motors Corp. paid to 53 of its officers and directors an average salary of \$51,760 each. The 15 top executives of the du Pont Co. were paid an average salary of \$213,175 each—an aggregate amount for these 15 men greater than the total salaries now paid to all the 250 or so Federal officers whose salaries would be increased by the legislation before the Congress.

When it is considered that the responsibilities of many top Government executives are far greater than those of any private executive in the Nation it is evident why the Government has great difficulty in obtaining and keeping the best men. Even when they are prevailed upon as a matter of public duty to serve in the Government, too often they find that they can afford to serve for a limited time only. Thus men are lost to the Government just when they have had the experience which brings them to the peak of their effectiveness. Such a process is obviously poor business and any apparent saving in funds for salaries is obviously a disservice to the taxpayers.

These truths were clearly recognized by the Commission on Organization of the Executive Branch. That Commission urged more realistic salaries for Federal executives as a means of achieving greater economy and efficiency in governmental activities. The legislation for increased executive salaries now pending in the Congress is fully supported by the recommendations of that Commission. So long as the Congress fails to take this simple and obvious step to improve the Government service, there will be an important gap in our efforts to achieve economy and efficiency.

For the compelling reasons set forth above, I believe that the legislation now pending to increase the salaries of officers in the executive branch is a fundamental step toward the more effective operation of the Government. Therefore, I again urge the Congress to complete favorable action upon this legislation at an early date.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 23, 1949.

#### INCREASING COMPENSATION FOR HEADS OF EXECUTIVE DEPARTMENTS

(Communication from the President of the United States transmitting his recommendation for the increase of compensation of the heads and assistant heads of the executive departments and of other Government officers of comparable rank)

THE WHITE HOUSE,

Washington, January 6, 1949.

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES,  
Washington, D. C.

DEAR MR. SPEAKER: I request that the Congress take prompt action to increase the compensation of the heads and assistant heads of the executive departments and of other Government officers of comparable rank.

Inadequate salaries have long made it difficult to obtain and hold able men for positions of greatest responsibility in the Government service. For most of those positions, there have been no pay increases in many years. In the meantime, other salaries, in both Government and industry, have risen sharply, and opportunities for larger compensation in private industry have greatly expanded.

In recent years, the difficulties of obtaining and holding the best qualified citizens for official positions has definitely impaired the Government service. This condition has now

progressed to the point where it constitutes a serious threat to the efficiency of the Government.

The men who hold the offices in question must translate into action the policies determined upon by the Congress. Their ability determines in large measure whether these policies are to succeed or fail. The national interest requires that we get and keep in these positions the most capable men and women that can be found. To do this, we must pay fair salaries.

I recognize that the Government cannot pay salaries equal to those in private industry for positions of comparable importance. But it can reduce the discrepancy enough to permit able and public-spirited citizens to serve the Government without too great a disadvantage.

Fortunately, the Congress is in a position to take intelligent and considered action on this problem without delay. Within the last month extensive evidence on the subject has been presented to a Senate subcommittee and is now available to the Congress. This evidence includes supporting testimony by former President Hoover, as Chairman of the Commission on Organization of the Executive Branch of the Government. The subcommittee examined the problem carefully, fairly, and without partisanship. The bill which they developed, and which has now been introduced in the Eighty-first Congress, is the result of more than a year's study.

That bill establishes a salary range of from \$17,500 to \$25,000 for the officials in question. These provisions are in accordance with recommendations made to the subcommittee by the administration. I urge their passage in their present form. Questions concerning the compensation of Federal officers and employees not included in this bill should not be permitted to impede or delay its passage, but should be considered separately at an early date.

On January 20 a new Presidential term will begin. During that term the executive branch of the Government will be called upon to bear responsibilities of great magnitude. Prompt action on this bill is of great importance to me in strengthening the management of the executive branch to meet those responsibilities. Its small cost will be repaid many times. I ask the Congress to give me the means which will make it possible for me to get and keep the men who are required for the job ahead.

I hope that this legislation will be enacted into law immediately.

Sincerely yours,

HARRY S. TRUMAN.

MR. REES. Mr. Chairman, I yield myself 10 minutes.

This legislation providing for large increases in the salaries of top-flight people in Government, in my judgment, comes at a rather inopportune time. It is admitted that it is here because it is on the President's agenda and because of pressure from the White House. Let me say, too, that almost every Member in this House has been called upon either by telephone or in person to approve this bill.

Mr. Chairman, it is unfortunate and unfair to bring such an important bill to the floor of the House with only 1 hour's time for discussion. This measure should have opportunity for full and complete discussion by the membership of this House.

It provides for increases of salaries for 240 Presidential employees, all the way from 50 to 100 percent. It has been said that these are recommendations of the

Hoover Committee. I disagree with that statement. The committee report states there should be increases in some of the higher positions, but certainly did not name 240 jobs, most of which will be increased from 75 to 100 percent. In my judgment, the increases are too drastic. At the proper time I shall offer an amendment that will trim these amounts to considerable extent.

My proposal is that we reduce the amount paid to these Presidential employees. Do not forget we are not considering employees in classified service. These are all Presidential appointees and can be removed at the will of the President.

You will observe they are named in different groups. The first group is the President's Cabinet. The salary increases here are lifted from \$15,000 to \$25,000. I am not presently criticizing that particular category. I realize the members of the Cabinet are entitled to considerable increase in salary and that they have big expense accounts.

But, Mr. Chairman, take a look at the next schedule in section 2, these various Under Secretaries who are increasing their salaries 100 percent. Just think of it. They receive \$10,000 per year, except probably 2 or 3 who get \$12,000. You hike the salaries of these people up to \$20,000. How are you going to justify your approval of that. I am willing to provide some increases, but these are clear out of line.

The next schedule in the bill, who are assistants in the various agencies, get from \$10,000 to \$14,000 now, and yet under the bill you pay them \$18,000 a year. It seems to me that \$15,000 would be pretty liberal.

Then in the next group are listed, among others, the Federal Mediation and Conciliation Director and the Assistant Federal Security Administrator. They get \$10,000. It seems to me that \$15,000 would be a pretty fair salary.

I would like to speak for a moment about schedule 5, a group of assistant secretaries. Many of these names were put in by members of our committee. They draw \$10,000 now. The bill gives them a 50-percent increase, or \$15,000; \$12,500, it seems to me, would be a reasonable increase.

If you will glance at the last paragraph in the bill, you will find a provision that gives the President authority under certain circumstances to lift the salaries of a number of persons up to \$18,000. The President can do it on his own account without further authority.

Let me say, too, that many of the men selected to fill these jobs are appointed not because of their particular qualifications but because of political affiliations and because of certain loyalties outside of particular fitness for these jobs. I regret to say that there are too many men holding positions in Government that are there because of political pull and not because they are qualified.

On the other hand, we have men in Government about whom you hear very little, but who are devoted to duty and are really underpaid. Among them would be included such persons as the



head of the Federal Bureau of Investigation, the head of the Central Intelligence Agency, the Comptroller General, the Director of the Veterans' Administration, and other persons where responsibilities are great and where public appreciation is comparatively small. Personally, I would like to single out a number of those jobs and pay them salaries to which they are entitled.

Let us not forget that you cannot compare salaries of these persons with the salaries of those employed in industry and business. As I said, there are many men and women who are devoted to their work and who, because they want to serve in these certain capacities, are willing to continue even though they may be offered higher salaries in other fields. Much has been said about competition of industry. The situation is so much different. Men devoted to these higher positions do not work because of salary alone, and so you cannot compare a \$100,000 a year executive in industry with a \$15,000 or \$20,000 a year executive in Government.

Only recently a man employed in a very high position in your Government and mine gave all he had. In fact, he lost his health and his life because of devotion to duty. Raising the salary of that person would, as you know, make very little difference. It just does not work that way.

Mr. Chairman, there are more than 2,000,000 people employed in Government. There are several hundred employed with comparative salaries. With this bill you reach out and pick 240 and increase their salaries, as I said a moment ago, all the way from \$5,000 to \$10,000 a year. You could easily pick 500 more who are just as important as some of these included in the bill.

Mr. Chairman, I do not believe the President in his message to Congress is quite as forthright and realistic as he might be. I do not want to criticize, but I just do not believe he will have difficulty in finding men to fill these positions if he is looking for them on the basis of qualifications for the jobs. I believe you will find that with the exception of perhaps a half dozen appointees, most of them have to be qualified politically before they qualify otherwise.

Mr. Chairman, the problem of efficiency in Government will not be solved by simply increasing salaries of executives in policy-making positions. We have got to have men in public authority who will give first consideration to efficiency and to the best interests of our Government and its people. We have got to quit making appointments because of political debts or personal friendships.

Let me repeat, there are many capable men in Government and many of them deserve salary increases and many of them could make more money in private industry. Many of them who do leave the Government do it because of inefficiency and a realization that advancement in higher positions does not come alone because they have given their best to their jobs and to the Government they serve.

Again I repeat I do not believe the President will have difficulty finding men to fill high important positions.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Illinois.

Mr. YATES. I heard the gentleman say on other occasions that he is interested in our Government being operated on as business-like a basis as possible. Does not the gentleman agree with the intent of this bill which will certainly permit the attraction of many more capable people to the service of the Government, even assuming that they possess the moral and spiritual qualities which go with it?

Mr. REES. I wish that the views of the gentleman were carried out, but, unfortunately, these jobs do not all go to people who have qualified because of efficient and faithful service in our government. You can count on the fingers of one hand the number of men holding high responsible positions in this group who secured their positions because of their faithful and efficient service in Government. These people, with the exception of a very few, are appointed from the outside.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from California.

Mr. PHILLIPS of California. I am glad to support the gentleman's amendment, but does the gentleman think his amendment will correct the inequalities that exist in the matter of giving the Chairman of the Atomic Energy Commission \$18,000 and the Under Secretary of Agriculture \$20,000?

Mr. REES. It will not correct the inequalities to which the gentleman has called attention. It will be helpful however in that direction. As I said a while ago, this legislation is inequitable in so many respects and yet the leadership of the House has allowed only 1 hour's time in late afternoon, of which we are given only 30 minutes during which to discuss a piece of legislation that not only involves the expenditure of an additional million and a half dollars a year, but provides for the drastic increase in salaries of a selected top flight few in the executive department.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, the gentleman who preceded me said that this is an important piece of legislation. I agree with him in that regard. However, I cannot agree that it has not received full consideration by the Committee on Post Office and Civil Service of the House. Deliberations on this type legislation were started during the Eightieth Congress by a Senate committee headed by Senator Flanders. I was invited to sit with that committee as a guest. I had the privilege and opportunity of observing its work. I heard former President Hoover, Mr. Stevenson, head of the task force of the Hoover Commission, our former colleague, Mr. Ramspeck, and numerous other witnesses testify as to the necessity for this legislation. The adoption of this bill means economy and efficiency in Government

and I would like you to follow this reasoning for the moment:

At the present time we have a \$10,000 ceiling on the salaries that may be paid to career employees in the Government service. That is the block that is on the salaries and the block that is on efficiency in Government. As you have heard it stated, we have raised the lower level of employees by 56 percent, yet we have only been able to raise the upper level by less than 15 percent. A man who had a \$9,000 a year job stopped at \$10,000; a man who had an \$8,000 a year job stopped when the increases brought his salary up to \$10,000.

The Hoover Commission recognized this weakness in our pay system and sets it forth in several places in its report as follows:

That in order to release the pressure and to establish a well-grounded merit system, it is necessary to raise the salaries of top-flight Government executives in order that the pressure may be released and we can raise the salaries of those career people who make the Government their life work.

On page 22 of the Personnel Management Report recommendation 11 reads:

Congress should raise the present salary ceiling of \$10,330 for career employees. At the same time, it should increase legislative, judicial, and executive salaries at the level of assistant secretary, or its equivalent, and above.

The Commission has considered confining these recommendations to the executive branch alone. Although aware that it is exceeding its charter, the Commission has concluded that to recommend any increase in salary without taking the total picture into consideration, would confuse rather than clarify an action that is essential in strengthening our whole Government structure.

On page 37 of the Task Force Report on Federal Personnel it says:

The present compensation of Government officials should be increased, and a permanent plan should be established for keeping all salary levels, fixed by law, properly adjusted.

There must be an adjustment in relation to the salaries of the appointed executives and the salaries of those people who are in the career service. The second recommendation is:

Raise the ceiling of the top civil-service grades (CAF-15 and P-8) to \$15,000.

I submit that it would not be consistent to raise the salaries of civil-service employees, career employees, within the executive departments to \$15,000 a year, and leave that of the assistant secretaries, the work horses of the departments, at a salary lower than that paid to the career employees.

Oh, we have heard a lot about the influence of politics and that sort of thing. That may be true for the glamour jobs, such as the Secretary of State or even the Under Secretaries. But, how about the Assistant Secretaries, the people that do the real executive work in the departments, who carry out the programs laid down for them? How many of you can name a dozen of these Under Secretaries?

The CHAIRMAN. The time of the gentleman from California has expired.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)



Mr. REES. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, the Committee on Post Office and Civil Service labored long on the present legislation. When we started considering salary increases, the finances of this Government and of this country were very different from what they are today. For that reason I, at the present time, have very grave misgivings as to the wisdom of such legislation. It has been said that this bill carries out some of the recommendations of the Hoover Commission. That is true. It has also been said that Members of Congress are getting letters by the thousands from people back home advocating the putting into practice of the recommendations of the Hoover Commission. But, I would like to call your attention to one thing, the people who are writing from back home have not read all of the recommendations of the Hoover Commission. I doubt if any Member now on the floor of this House has read them all, and the reports of the task force. But, the people back home have seen the headlines. And, what do these headlines tell them? They tell them that the Hoover Commission has stated, and knows, that \$3,000,000,000 can be saved in the Federal Government, and that is what the people back home are writing about. They are writing for economy. They are worried, and they have reason to be worried about the financial structure of this country and of the western world. I do not believe that those same people will be very happy to see us in this House single out just one thing in the Hoover Commission, namely, the increase of salaries for some of the top brackets in the Executive branch of the Government.

It has been said that timing is not very important. On the contrary, Mr. Chairman, I believe that timing is all important in Government and in life, and this is not the time to increase the costs of government.

Another thing, why do these increases have to come at the top of the pyramid? I admit that many of these top executives are deserving of far higher salaries than they are receiving, I have no doubt as to that, but I am equally certain that they may be in a far better position to get along and to make ends meet, as has been said here, on their present salaries than many employees in the lower brackets.

We are also constantly told that it is difficult to get the caliber of people that are needed in Government and especially in executive positions. That I believe is a fallacy. The men and the women who want to serve their Government do not serve for cash. They know perfectly well that Government can never compete with private industry. But Government service gives us other things. Government service gives us an inner satisfaction. It gives us the feeling that we are doing our patriotic duty. Not only that, but Government service gives prestige and many other things that no private industry can give an individual. Many of us have gotten to the point where we know there are some things

that cannot be purchased with dollars. Surely these men, in executive positions feel that way.

We are certainly not worried about Government employees leaving the Government when we hear that today the Federal Government is taking in employees at the rate of 350 per day. Therefore, that service cannot be so very distasteful.

While I was sitting here I happened to see a headline in a newspaper held by one of my distinguished colleagues on this rather sparsely filled floor. That headline said that there were 15,000 more Federal jobs that had just been restored by the Senate of the United States.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. MORRISON].

Mr. MORRISON. Mr. Chairman, this bill has had a great deal of consideration before the House Committee on Post Office and Civil Service. The committee has had at least six meetings on this bill. There has not been a single bill before our committee that has had more time or more deliberation than this bill, with the one exception of the very involved bill for the postal-rate increase. I can assure the members of this committee that each member of the committee had ample time to give his or her reasons both for and against each increase.

The original bill that was presented to the committee was compromised, and that bill which was submitted by the chairman was finally adopted, with a few exceptions. I can say that this bill not only has the endorsement and support of many of those who appeared before the committee, but it also has the approval of, and is recommended for passage by the American Bar Association. The board of directors of the chamber of commerce have endorsed this legislation. I have a number of telegrams which were sent to various Members of the Senate and House recommending the passage of this particular legislation. I will read a few of these telegrams to different Members from some of the leaders in business as well as leaders in other outstanding organizations:

FEBRUARY 5, 1949.

The Honorable HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

Hope it will be possible for you to support bill to increase salaries of top Government executives. Believe in long run it will be economy measure. Have seen many instances where first-rate men from education as well as business felt they could not afford accept important Government posts. Believe proposed measure would help attract better personnel.

Regards,

DONALD K. DAVID,  
Dean, Harvard Business School.

FEBRUARY 9, 1949.

Senator HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

Having had the experience over the past few years of seeing Government lose the services of very able men because they could no longer afford to work for the meager salaries Government could pay, I respectfully urge you to support Senator FLANDERS' bill to increase salaries of 200 top Government

executives. The cost will be comparatively small and the rewards are certain to be great.

W. L. CLAYTON,  
Anderson & Clayton & Co.

FEBRUARY 7, 1949.

Senator HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

I am strongly in favor of Flanders bill to increase salaries of 200 top executives. Hope you can give it your full support.

ALFRED C. FULLER,  
Chairman, the Fuller Brush Co.,  
Hartford, Conn.

FEBRUARY 7, 1949.

Senator HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

Understand bill, S. 498, introduced to increase salary of some 200 top Government executives is up for immediate consideration. Government, the biggest business on earth, needs the best administrators it can get. Hoover is confident his recommendations cannot be carried out except by able administrators and that salary increases are fundamental in attracting right men. I agree with him and hope you do and that you will favor adoption of bill.

FRED LAZARUS, Jr.,  
President, Federated Department  
Stores, Inc.

MIDDLETOWN, OHIO, February 7, 1949.

Senator HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

I strongly urge your support of the bill to increase Federal executive salaries. After spending a year as chairman of the Advisory Commission on service pay, which made necessary a study of civilian business executives' compensation and a comparison with top Government executives' compensation, I am convinced the Hoover recommendations if approved will result in more economic administration.

ARMCO STEEL CORP.,  
CHARLES R. HOOK,  
Chairman.

FEBRUARY 8, 1949.

HON. GEORGE P. MILLER,  
House Committee on Post Office  
and Civil Service,  
House of Representatives,  
Washington, D. C.:

As a businessman, I am happy to endorse House bill 1689, authorizing increased pay for heads of executive departments and independent agencies. Efficient administration of public business demands today payment of adequate compensation to policy-directing heads in the executive branch of the Government. This will serve to attract to Government service the highest type of qualified person and insure the retention of the experienced and able public servant.

ERIC A. JOHNSTON,  
President, Motion Picture  
Association of America, Inc.

FEBRUARY 8, 1949.

HON. HERBERT O'CONOR,  
United States Senate,  
Washington, D. C.:

As a businessman, I am happy to endorse Senate bill 498, authorizing increased pay for heads of executive departments and independent agencies. Efficient administration of public business demands today payment of adequate compensation to policy-directing heads in the executive branch of the Government. This will serve to attract to Government service the highest type of qualified



person and insure the retention of the experienced and able public servant.

ERIC A. JOHNSTON,  
President, Motion Picture  
Association of America, Inc.

FEBRUARY 7, 1949.

The Honorable HERBERT O'CONOR,  
United States Senate,  
Washington, D. C.:

I urge support of bill S. 498, to increase salaries of 200 top Government officials, as it would appear almost a governmental necessity to adjust these salaries to modern conditions.

JOHN D. BIGGERS,  
President, Libbey Owens Ford Glass Co.

CANTON, N. C., February 8, 1949.

Senator HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

I am greatly interested in Senator FLANDERS' bill providing for increases in salaries for certain keymen in Government and desire to express hearty approval of Senator FLANDERS' objectives. With all other businessmen and taxpayers, I am most anxious to see great reductions in the cost of Government; but I am convinced that the Government cannot get and keep the type of men it should have in positions of responsibility unless it pays them salaries commensurate with the skill and experience required.

REUBEN B. ROBERTSON,  
President, Champion Paper & Fiber Co.

FEBRUARY 7, 1949.

Hon. HERBERT O'CONOR,  
Senate Office Building,  
Washington, D. C.:

We New Englanders know value of dollar, but hiring mediocre help is false economy.

Strongly urge your subcommittee to report favorably S. 498. Must pay adequate salaries to obtain competent men to handle biggest business in world.

S. ABBOT SMITH,  
THOMAS STRAHAN CO.,  
Chelsea, Mass.

Mr. REES. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, I do not believe there is any great issue involved here. We want these top executives to have an increase in salary. The question is how much? I am going to support the Rees amendment when it is offered for the reason that I feel that the increases granted by it are very adequate at this time.

I know something else which I am sure all of you also know, and that is that salaries, once increased by this body, are never decreased. If we find that the increases which may be granted are not sufficient, Congress can raise the salaries again. But decreasing salaries is a job that we have never been able to satisfactorily accomplish. The increases which are granted by the bill are, in many cases, simply too high to justify their adoption. All the telegrams that have been read to you and all of the recommendations that have been brought out are in favor of salary increases for these 244 executive personnel, but they do not advocate any specific amount. I believe you will find on close examination of the Rees substitute amendment that the Congress will, by passing that amendment, be very generous with its executive officials.

We should note also that everyone who is supporting this bill is opening the gates to all kinds of requests for salary increases from the 2,000,000 or more Federal employees. So we ought to take note of the fact that in pushing for these increases ranging up to 100 percent, it is going to be most difficult to refuse to give increases to others who are doing the hard job of efficiently carrying out the functions of this Government.

So I am going to urge my colleagues that at the proper time they support the Rees amendment, and if that should prove in later years to be insufficient, other increases can be granted.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. CORBETT] has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I recognize the need for an increase in salary for the heads of these departments. There has not been an increase for these executives in quite a while. At the same time, I also recognize the fact that the increases should be reasonable ones.

In the bill that is presented the House there is a policy involved. I asked the question of every witness who appeared before our subcommittee whether or not he believed that as a matter of policy, without regard to whether or not congressional salaries were adequate or inadequate, he would advocate more pay for the heads of these executive departments than is received by Senator LUCAS, the majority leader in the Senate, or that received by the majority leader of the House of Representatives, who must go home every 2 years and seek reelection at the hands of his people. I am still awaiting an answer.

I believe the amendment that has been offered by the gentleman from Kansas [Mr. REES] is reasonable. I have discussed these figures with the gentleman from Kansas. The figures that are presented by his substitute give an adequate and reasonable raise to each of these department heads.

As was so appropriately stated by the lady from New York [Mrs. ST. GEORGE], people do not look to the compensation received in Government as their only incentive for serving. They receive a part of their compensation in the knowledge that they have rendered a public service. The way I look at it, a rich man does not look at the salary he is to receive from the Government of the United States for his service as an incentive. The poor man thinks that \$10,000 or \$12,000 is a good salary and is delighted to get that kind of job. So you are not going to help the situation by raising these salaries 50 or 60 percent, as is called for in the committee bill. I am not willing to say, for instance, that an under secretary of any of the departments is worth as much to his Government and to the people of the United States as the majority leader or the minority leader in either the House or the Senate.

Mr. Chairman, I intend to speak again when the gentleman from Kansas [Mr. REES] has offered his substitute amend-

ment. It is my understanding that there are available quite a number of copies of the Rees amendment and also an outline showing comparison between the Rees amendment, the present bill as amended, the bill as originally presented, and the present salaries drawn by these employees. I figured it up last night for the employees covered by the Rees amendment, some 205, and found that their salaries will be raised by 26.7 percent. In my opinion, that is a reasonable increase.

Not one person appeared before our subcommittee who could tell us of a single instance of a man who was about to resign because his salary was inadequate, nor could they tell us of a single instance in which a man would be replaced if this new salary bill were not enacted, replaced by a better employee.

Mr. REES. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. GROSS], a member of the committee.

Mr. GROSS. Mr. Chairman, I take this time to briefly state my opposition to the pending bill, H. R. 1689.

I was a member of the subcommittee that held hearings on this measure; I voted against sending any such proposal as this out of the Post Office and Civil Service Committee.

I am not opposed to reasonable and equitable salary increases, but this proposal is unthinkable, unreasonable and inequitable. What is sacred about a \$2,000 or \$2,500 annual salary increase? Yet nearly all these increases are many times that amount.

In the hearings on H. R. 1689 not a single witness attempted to justify the proposed increases on the basis of increased cost of living. Over and over again we heard the story that salaries at the proposed figures had to be paid to keep private industry from taking men from Government service. Yet not a single witness could or would produce figures to substantiate claims that those leaving Government service for private employment had bettered themselves materially.

In considering this outlandish salary increase proposal let's also keep in mind that many of those benefited under this measure are supplied with automobiles, chauffeurs and practically unlimited expense accounts.

I say again that I am not opposed to reasonable salaries for Government officials. But in this matter, let us start with the little fellow at the bottom of the list—raise these workers where increases are needed. If there's anything left then apply it at the top. In other words, let us reverse the old procedure of giving the crumbs to the little fellow at the bottom of the list.

Yesterday, President Truman told newspaper reporters he is bullish about the economic condition of this country. In the same issue of the same paper—Washington Star—Secretary of Agriculture Brannan is quoted as saying the economic situation of farmers is becoming serious. The President ought to know that in a Nation, whose basic industry is agriculture, there is no reason for feeling bullish when the economic situation of farmers is serious.



Any such salary increases as proposed here are not compatible with the economic and debt situation that confronts this country. Further unnecessary expenditures on the part of the Government will only produce greater deficits and no matter how thin President Truman slices his bullshiness the result will still be the same.

This bill will set a bad precedent in the matter of salaries and wages. It should have been amended in committee, not on the floor of the House. I am against it and whether or not there is a roll call my vote is hereby recorded in opposition.

Mr. REES. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. PHILLIPS].

(Mr. PHILLIPS of California asked and was given permission to revise and extend his remarks.)

Mr. PHILLIPS of California. Mr. Chairman, this bill should be returned to the place whence it came and in due time returned to the lodge, and if a member of the committee itself does not offer a motion to recommit I shall do so on the basis of the inequalities which appear in the bill.

If the Members will read the bill they will see what I mean. The Under Secretary of any department, the Under Secretary of Agriculture, for instance, is to receive \$20,000 under the bill, but the Chairman of the Atomic Energy Commission, who has one of the most responsible jobs in the United States today, is to receive \$18,000. The head of the CIA is increased from \$14,000 to \$17,500, while J. Edgar Hoover, head of the FBI, is increased from \$14,000 to \$15,000.

Every one of these Under Secretaries and Assistant Secretaries will receive more than Senators and Congressmen, yet do not have the expenses laid upon them that are laid upon Members of Congress.

The Chairman of the Council of Economic Advisers is to be rewarded with a salary of \$17,500 while, as I said, the Assistant Secretaries of the various departments are to receive as much as he will get.

The head of the Reconstruction Finance Corporation, handling billions and billions of dollars, is to be given a salary of \$16,000 a year while the Under Secretary of Commerce is to receive \$20,000 a year.

Mr. Chairman, there is no justification for this lack of balance in the bill about which I am speaking. I have so little time that I cannot go into more detail, however if the Members will take the list of salaries in the mimeographed statement, or in the bill itself, they will understand what I mean by saying this bill should be sent back to the committee for the correction of its obvious inequalities.

Mr. Chairman, what brought up a bill like this? At the present time there are probably not more than a few dozen salaries in the entire Government picture that actually need to be increased, and these are specialists of various kinds. There are specialists in the Department of Agriculture, with whom the gentleman from Georgia, who has just risen, is familiar. Two or three of these specialists

in their lines finally left the department because they could get higher salaries in outside positions; yet it was stated they would have stayed if the salary were raised from \$10,000 to \$15,000. We tried to meet that situation in the Appropriations Committee by allowing three salaries to go above \$10,000, but not over \$15,000, but another body of the Congress decided against this change. This does not mean we have to take every salary in Washington and raise an assistant secretary, for example, above men who administer large and important Government agencies.

Mr. REES. Mr. Chairman, I yield the remainder of my time to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, I had not intended to speak on this bill, but there has come to my attention what is taking place in the city of Detroit or in the Detroit area. I think it worth while to mention it to the House. Canada has repealed its wartime excise taxes. As a result of that, the jewelers in Detroit find that people are crossing the Detroit River to Windsor, Canada, just 1 mile away, to make their purchases. They go to Canada and buy their jewelry where there is no excise tax. We still have an excise tax of 20 percent on jewelry. People are crossing the river to buy transportation tickets because they can buy them 15 percent less than they can buy them in the city of Detroit. Why? Because the United States has not reduced its wartime excise taxes and Canada has. There is no restraint on public spending. No effort toward economy, and there is no hope for the reduction of taxes. Only a change in public opinion or collapse of our economic system will halt this spending spree.

I realize this is a small bill, with probably less than \$1,250,000 involved, and no doubt there are many justifications in this bill for an increase in salary. One, in particular, I think, should be increased more than it is, and that is the salary of J. Edgar Hoover, head of the FBI. That agency has served this Nation in a splendid way and has kept a leash on those within our midst who would destroy this Government and its way of life.

In my opinion there is no restraint on Federal spending here in the Nation's Capital. If one looks at the report of the Secretary of the Treasury, he will become alarmed. Here are his figures which I am going to give you. It shows that there is a change of over \$10,000,000,000 in receipts and expenditures of this Government in the short space of 12 months. When will Federal spending be curtailed or reduced? Not one of us in this body nor anyone else has ever been able to beat simple arithmetic. It cannot be done. As an example of public spending, take the subject of eggs. It has cost the taxpayers of this country \$93,000,000 for the support price on eggs alone during the last year. That is just one thing.

In addition to that, here are the figures from the Secretary of the Treasury summarizing budget results for the fiscal year 1949 compared with 1948. In 1948—and I am speaking of the fiscal year—the receipts of this Government were

\$42,250,000,000; for 1949, \$38,000,000,000, a drop of almost \$4,000,000,000 in receipts.

What about expenditures? In 1948 expenditures were approximately \$34,000,000,000; in 1949, approximately \$40,000,000,000, or an increase of over \$6,000,000,000, and the deficit we find this year, as it ended on July 1 for the fiscal year, was \$1,810,000,000. The difference between receipts in 1948 and in 1949, and the expenditures amount to \$8,419,000,000, or a total change of over \$10,000,000,000.

I admit that \$1,250,000 provided in this bill will not provide an enormous strain on the financial structure of the Government, but it does become alarming when we consider the trend in this country.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. PACE. I just wanted to state that it seems to me very unfair to grant Mr. Hoover, who is trying to protect the security of this Nation, a raise of only \$1,000, while you are granting men of lesser or insignificant responsibility raises of from \$7,000 to \$10,000.

Mr. DONDERO. The gentleman is entirely correct, and I agree with him.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Kansas.

Mr. REES. I will say to the gentleman that in the original bill J. Edgar Hoover was not even included, but the committee put him in for an additional \$1,000.

Mr. DONDERO. Yes, I understand that; and when we consider that increase in pay with the increases accorded to others, I think it is insignificant.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(Mr. DONDERO asked and was given permission to revise and extend his remarks.)

Mr. MURRAY of Tennessee. Mr. Chairman, I yield such time as he may desire to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, I join with my colleagues who look upon our Federal budget today with concern. The gentleman from Michigan [Mr. DONDERO] spoke apparently in support of the repeal of the excise taxes. I realize that these were wartime taxes and we should take wise action in determining what is best for our entire economy with reference to excise taxes. However, I think the gentleman needs to recall the action of the Eightieth Congress and be frank enough to admit that we have the excise taxes today, because they were made permanent during the Eightieth Congress in order to effect the Eightieth Congress income tax cut. It is generally conceded that the income-tax cut made during the Eightieth Congress could not have been done without the retention of the excise taxes. Therefore, in a large measure the condition of the Federal budget position today is due to the action of the Eightieth Congress in cutting income taxes at a time when there was little demand for



such action except from those best able to pay. I recognize the fact that it now appears perhaps unwise to increase taxes, but we should certainly orient our thinking in terms of what is best in carrying out the services of the Federal Government and not make the mistakes that were made in the Eightieth Congress in breaking down the tax-producing methods that are so essential if we maintain the services demanded by the people of this country.

I am one of those who believe in protecting our Federal economy by bringing into the Federal service our best and most able administrators. Therefore, must we not, Mr. Chairman, take action now in behalf of our national economy by extending some degree of consideration to those key men in the Federal service who must have some consideration from this Congress. We certainly will take favorable action if we believe in good administration.

At the present moment it appears that there is pending before the Congress for national defense a suggested appropriation of \$13,000,000. I submit, Mr. Chairman, that we could very easily suggest some real economy in the national-defense program to the end that the amount of money represented by the increase in Federal expenditures in this bill could easily be absorbed without injury whatsoever to the national-defense program.

Mr. Chairman, the Comptroller General of the United States, the Honorable Lindsay C. Warren, is looked upon by all of us who know him as one of the most outstanding public servants in the Federal service. Within recent days Mr. Warren appeared before the Subcommittee on Compensation and Personnel, Committee on Post Office and Civil Service, United States Senate, in support of additional compensation for key personnel in the Federal service. I would like to quote from the statement by our able and outstanding Comptroller General:

I served for 16 years as a Member of the House of Representatives. Throughout that period and in my present capacity as Comptroller General, I have been deeply concerned at the growing difficulty of attracting able men to the service of the Government and keeping them there. I do not intend what is said here to be taken as criticism of any officer now in the Government. Indeed, I have said many times that we have some of the finest administrators to be found anywhere. Rather it is my hope that something will be done to keep these men and to obtain the services of others of equal caliber.

The task of administering a large and far-flung organization is by and large one of getting the right men for the right jobs and retaining them. The necessary formula for a successful private business is to get the best men you can to run it, whether at high cost or low. Such necessity is tenfold greater in the Government—the biggest business in the world—where the stakes are so high, the operations so broad, and the pitfalls so deep. We cannot hope to get and retain such men if we will not pay the price. Right now I think it will be conceded that the reward—if it can be called that—for public service too often is pitifully inadequate. Too often the compensation is trivial when compared to the job being done and what could be earned elsewhere. It has driven out many of those best qualified, has created hardship

on those who stay at their posts through devotion to duty, and operated as a deterrent to any effective injection of new blood.

There are both rewards and penalties for those in public office. I do not advocate that the Government meet salaries offered by industry, because that cannot be afforded. But at least the salaries should be such as to attract and keep able public men without too great a sacrifice on their part. Widely in the Government service there are spread groups of fine employees who demand and are paid the prevailing wage scale. The Congress requires that the same scale be paid by those holding large Government contracts. I know no justification at all for denial of somewhat more nearly prevailing wages for the relatively few executives who are responsible for directing the far-flung activities of the Government. It is obvious that some (I repeat some) narrowing of the widespread in executive salaries between private and public business is called for.

I do not plead the cause of any job holder, or ask for help or benefits for anyone, no matter how deserving. It has been and is my policy—though sometimes seeming to be a voice crying in the wilderness—to speak out for the interests of the Government, which means for the interests of the United States as a whole. Government is called upon to be, in a worldly sense, the savior and protector of all of us, our bulwark for a free economy in a troubled and confused world. Is it not obvious we hurt ourselves, that is, our country and its people, when we fail to provide the wherewithal to get done the job the people demand? Are we not being penny wise, pound foolish?

What are the facts? I know of my own knowledge of a number of agency heads who after fine and faithful service were forced to leave for the greener pastures elsewhere, and I know of many other able men whose services the Government was denied because in this competitive world the biggest business of them all could not reward them according to their worth. The fact is that in some quarters the turn-over has been so frequent that no sooner do we in our daily contacts get acquainted with those in charge than they are changed and new ones come in. The sad part is that many leave just as they have learned to know their jobs and are in position to render service of real value—and sometimes even before. Some executive positions in the Government have gone begging for months.

In my reports to Congress I have called to account time and time again agencies which were poorly run, inadequately staffed, incompetently managed. This has been done in pursuance of my duty under the law, and with full knowledge that the need is for better management in the executive positions. We have all said we must have better men to turn the wheels of Government. But here as anywhere else, you get only what you pay for.

Anyone who really seeks better Government, who opposes waste, extravagance, and inefficiency, will further that cause by supporting this legislation to give the President the best human equipment to run this complicated Government machine. I think this bill goes far—perhaps here and there not far enough—to supply that need. I endorse it wholeheartedly and congratulate you gentlemen for your resolution to do something to remedy a bad situation in our Government.

Mr. Chairman, there has long been a compelling need to increase the rates of compensation of heads and assistant heads of the executive departments and other officials of the Government who are charged with much responsibility. I sincerely feel that some action in this direction must be taken if the Government

is to obtain and keep the services of qualified executives. The Government may be able to obtain the services of persons to fill these responsible positions at the present salary rates only if it disregards the qualifications of such persons.

Once the services of capable persons are obtained for these executive positions, consideration must be given to the retention of them. Any appreciable turn-over in top-flight executives is not in the interest of the Government. Many top-flight executives will remain in these Government positions where extraordinary ability is required for a limited time only unless there is some provision for adequate salaries.

The annual salaries of top executives in outside industry, in positions comparable to the positions covered in this proposed legislation, range from \$75,000 to \$300,000 per annum.

(Mr. DEANE asked and was given permission to revise and extend his remarks.)

Mr. MURRAY of Tennessee. Mr. Chairman, I yield the balance of my time to the gentleman from Minnesota [Mr. McCARTHY].

Mr. McCARTHY. Mr. Chairman, I take this time to correct one or two of the remarks made in debate by the opponents of this pay increase.

The gentleman from Pennsylvania observed that once pay increases are given there is no tradition of any reduction. I would remind him of the Economy Act of 1934, which is within the memory of most of us, when Government salaries were reduced by 15 percent.

The opponents of this increase are, however, in good tradition in insisting upon low pay for public servants. The expression of this attitude goes back to the Constitutional Convention in 1887. At that Convention, Mr. Gerry, from Massachusetts, stated:

One of the principal evils in representative government arises from the want of due provision for those employed in the administration of government. It would seem to be a maxim of democracy to starve the public servant.

For the information of the committee, a comparison of the salaries now being paid to the civilian employees of the Government with those which this House approved for the members of the armed services points out some rather interesting contrasts. At the present time, according to the committee report, there are slightly over 3,000 civilian employees who receive more than \$10,000 a year, out of about 2,000,000 employees. Under the pay bill we have just passed there will be 27,784 members of the armed services who will receive more than \$10,000 per year, out of slightly more than 1,500,000 members.

There has been some concern expressed here that Government employees should receive a good deal of satisfaction which is nonfinancial or nonpecuniary in nature. Let me say to the members of the committee that if this pay bill is passed Government employees will still have an opportunity to enjoy that kind of satisfaction. The salaries proposed in this bill are so far below those paid in comparable positions in private industry that



public service will not be for sale and loyalty and patriotism not reduced to a cash-payment basis.

(Mr. McCARTHY asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,* That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$25,000 per annum.

SEC. 2. (a) The rate of basic compensation of the Chairman of the Atomic Energy Commission, the Administrator for Economic Cooperation, the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Chairman of the Board of Governors of the Federal Reserve System, each Under Secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, and the First Assistant Postmaster General shall be \$22,500 per annum.

(b) Section 105 of title 3 of the United States Code is amended to read as follows:

"COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"SEC. 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$22,500 per annum, three at rates not exceeding \$20,000 per annum, and seven at rates not exceeding \$17,500 per annum."

(c) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: "The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."

SEC. 3. (a) The rate of basic compensation of the Housing and Home Finance Administrator, the Federal Works Administrator, the members (other than the Chairman) of the Board of Governors of the Federal Reserve System, the members (other than the Chairman) of the Council of Economic Advisers, the members (other than the Chairman) of the Atomic Energy Commission, the Public Printer, the Librarian of Congress, the Federal Mediation and Conciliation Director, the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Director of Central Intelligence, the Deputy Administrator for Economic Cooperation, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Executive Assistant Administrator of Veterans' Affairs, and the Assistant Federal Security Administrator shall be \$20,000 per annum.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$20,000 a year."

SEC. 4. (a) The rate of basic compensation of the members of the Home Loan Bank Board; the Public Housing Commissioner; the Federal Housing Commissioner; the Housing Expediter; the War Assets Administrator; the Director of Selective Service;

the Director of Aeronautical Research of the National Advisory Committee for Aeronautics; the Archivist of the United States; of all members of the Civil Aeronautics Board; the Displaced Persons Commission; the Board of Directors of the Export-Import Bank of Washington; the Federal Communications Commission; the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency); the Federal Power Commission; the Federal Trade Commission; the Interstate Commerce Commission; the National Labor Relations Board; the National Mediation Board; the Railroad Retirement Board; the Board of Directors of the Reconstruction Finance Corporation; the Securities and Exchange Commission; the Board of Directors of the Tennessee Valley Authority; the Civil Service Commission; the United States Maritime Commission; the United States Tariff Commission; the Indian Claims Commission; the War Claims Commission; the Philippine War Damage Commission; the Board of Commissioners of the District of Columbia; of the General Counsel of the National Labor Relations Board; each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury); each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmaster General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; the Architect of the Capitol; the Assistant Federal Works Administrator; and of the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal shall be at the rate of \$17,500 per annum. Notwithstanding the act of February 23, 1931 (5 U. S. C. 152a), the salary of the legal adviser of the Department of State shall not be increased as a result of this act.

(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$17,500 a year."

SEC. 5. In any case in which the chairman or other head of a board or commission, the rate of basic compensation for members of which is prescribed by section 4 of this act, has important duties or responsibilities not imposed upon other members of such board or commission, the President is authorized in his discretion to fix the compensation of such chairman or other head at the rate of \$20,000 per annum.

SEC. 6. (a) Section 304 of the Postal Rate Revision and Federal Employees Salary Act of 1948 is hereby repealed effective as of July 3, 1948. No additional compensation shall be payable by reason of the enactment of this section for any period prior to the date of enactment of this section for any period prior to the date of enactment of this act in the case of any person who is not an employee in or under the municipal government of the District of Columbia on such date of enactment.

(b) Effective as of the first day of the first pay period which began after June 30, 1948, each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946 (U. S. C., title 22, secs. 867 and 870) which do not exceed \$10,000 are hereby increased by \$330. No additional compensation shall be payable by reason of the enactment of this section for any period prior to the date of enactment of this act in the case of any person who is not a Foreign Service officer or a Foreign Service staff officer or employee on such date.

Mr. REES. Mr. Chairman, I offer an amendment in the nature of a substitute.

Mr. MURRAY of Tennessee. Mr. Chairman, this bill is in the form of a committee amendment. The original bill was stricken out and this language inserted. I think the committee amendment should be perfected by any amendments before the substitute is taken up.

The CHAIRMAN. The Clerk will read the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the enacting clause and insert "That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$25,000 per annum."

"SEC. 2. (a) The rate of basic compensation of the Administrator for Economic Cooperation, the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, each Under Secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, and the First Assistant Postmaster General shall be \$20,000 per annum.

"(b) Section 105 of title 3 of the United States Code is amended to read as follows:

"COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$16,000 per annum."

(c) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: "The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."

"SEC. 3. (a) The rate of basic compensation of the Housing and Home Finance Administrator, the Federal Works Administrator, the Chairman of the Atomic Energy Commission, the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Deputy Administrator for Economic Cooperation, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, and the Deputy Administrator of Veterans' Affairs shall be \$18,000 per annum.

"(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$17,500 a year."

"(c) The rate of basic compensation of the Public Printer, the Librarian of Congress, the members (other than the Chairman) of the Council of Economic Advisers, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, and the Assistant Federal Security Administrator shall be \$17,500 per annum.

"SEC. 4. The rate of basic compensation of the members of the Board of Governors of the Federal Reserve System; the Director of Aeronautical Research of the National Advisory Committee for Aeronautics; members of the Civil Aeronautics Board; the Chairman of the Board of Directors of the Export-Import Bank of Washington; members of the Federal Communications Commission; members of the Board of Directors of the Federal Deposit Insurance Corpora-



tion (including the Comptroller of the Currency); members of the Federal Power Commission; members of the Federal Trade Commission; members of the Interstate Commerce Commission; members of the National Labor Relations Board; members of the National Mediation Board; members of the Railroad Retirement Board; the Chairman of the Board of Directors of the Reconstruction Finance Corporation; members of the Securities and Exchange Commission; members of the Board of Directors of the Tennessee Valley Authority; members of the Civil Service Commission; the Chairman of the United States Maritime Commission; members of the United States Tariff Commission; members (other than the Chairman) of the Atomic Energy Commission; the General Counsel of the National Labor Relations Board; the Architect of the Capitol; and the Assistant Federal Works Administrator shall be at the rate of \$16,000 per annum.

"SEC. 5. (a) The rate of basic compensation of the Housing Expediter; the War Assets Administrator; the Director of Selective Service; the Archivist of the United States; members of the Displaced Persons Commission; members of the Indian Claims Commission; members of the War Claims Commission; members of the Philippine War Damage Commission; members of the Board of Commissioners of the District of Columbia; each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury); each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington; members (other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation; members (other than the Chairman) of the United States Maritime Commission; Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; director, Federal Bureau of Investigation; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; chief, Soil Conservation Service; Commissioner of Customs; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; the three Special Assistants to the Secretary of Defense; and of the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal shall be at the rate of \$15,000 per annum. Notwithstanding section 30 of the act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), the salary of the Legal Adviser of the Department of State shall continue to be at the rate of \$10,330 per annum.

"(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$15,000 a year."

"(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

"SEC. 6. In any case in which the chairman or other head of a board or commis-

sion and the other members of such board or commission receive the same rate of basic compensation under this act, and such chairman or other head has important duties or responsibilities not imposed upon other members of such board or commission, the President is authorized in his discretion to fix the compensation of such chairman or other head at the rate of \$18,000 per annum.

"SEC. 7. (a) Section 304 of the Postal Rate Revision and Federal Employees Salary Act of 1948 is hereby repealed effective as of July 3, 1948. No additional compensation shall be payable by reason of the enactment of this section for any period prior to the effective date of this act in the case of any person who is not an employee in or under the municipal government of the District of Columbia on such date.

"(b) Effective as of the first day of the first pay period which began after June 30, 1948, each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946 (U. S. C., title 22, secs. 867 and 870) which do not exceed \$10,000 are hereby increased by \$330. No additional compensation shall be payable by reason of the enactment of this section for any period prior to the effective date of this act in the case of any person who is not a Foreign Service officer, a Foreign Service Reserve officer, or a Foreign Service staff officer or employee on such date.

"(c) No person whose compensation is increased by this section shall be entitled to any overtime pay, or compensation for night and holiday work, as provided in sections 201, 301, and 302 of the Federal Employees Pay Act of 1945, as amended, based on the additional compensation provided by this section for any pay period ending prior to the effective date of this act.

"SEC. 8. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this act."

Mr. MURRAY of Tennessee (interrupting the reading of the committee amendment). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read and that it be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Chairman, I have several amendments at the Clerk's desk, which I now offer.

The Clerk read as follows:

Amendments offered by Mr. MURRAY of Tennessee:

On page 7, line 3, insert before the word "each", the following: "the Administrator of General Services."

On page 7, line 25, and page 8, line 1, strike out "the Federal Works Administrator."

On page 9, lines 17 and 18, strike out "Assistant Federal Works Administrator", and insert in lieu thereof the following: "Deputy Administrator of General Services."

On page 9, line 21, strike out "War Assets Administrator", and insert in lieu thereof, the following "Director of the Bureau of Federal Supply."

Page 9, line 23, insert after "States", the following: "the Assistant Architect of the Capitol."

Mr. ROGERS of Florida. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROGERS of Florida. Mr. Chairman, I have an amendment to section 3 on page 8. Would it take precedence over everything after that, or will I have the opportunity to offer it after the gentleman from Tennessee discusses these amendments?

The CHAIRMAN. The gentleman from Florida may be recognized to offer his amendment after the pending amendments are disposed of.

Mr. MURRAY of Tennessee. Mr. Chairman and Members of the Committee, these amendments, with the exception of the last amendment which was read by the Clerk are offered because of the enactment of the Federal Property Administrative Services Act of 1949, which was approved on June 30, 1949. This act transferred the functions of the War Assets Administration, the Federal Works Agency, the National Archives, and the Bureau of Federal Supply to the new agency known as the General Services Administration.

Because of this consolidation, the amendments are necessary to eliminate from H. R. 1689 the following positions: Federal Works Administrator, Assistant Federal Works Administrator; and the War Assets Administrator. All three of these positions were abolished by this act creating the Federal Property and Administrative Services. The act also provides for the appointment of an Administrator of General Services. He has already been appointed. His nomination has been confirmed by the Senate. The man is Mr. Jess Larson. The purpose of these amendments is to strike from this bill the War Assets Administrator, the Federal Works Administrator, the Deputy Federal Works Administrator, and to put in Mr. Larson as head of the Administrative Services Agency, putting him in the \$20,000 bracket, because he has a most responsible position, having charge of public buildings, Federal works, ordering supplies, public roads, and the National Archives. Since the position of the Federal Works Administrator and the Deputy Federal Works Administrator have already been abolished by act of Congress, I am sure there can be no objection to striking those positions out of this bill and having the Administrator of General Services, and also the Deputy Administrator of General Services included in the bill.

I propose to put the Administrator of General Services in the \$20,000 bracket and the Deputy General Services Administrator in the \$16,000 bracket. That is the purpose of the amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Tennessee [Mr. MURRAY].

The amendments were agreed to.

Mr. REES. Mr. Chairman, I offer an amendment in the nature of a substitute for the committee amendment.

Mr. ROGERS of Florida. Mr. Chairman, I have a perfecting amendment to the committee amendment, which would take priority, as I understand it.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kansas [Mr. REES].

Mr. ROGERS of Florida. Mr. Chairman, I have a perfecting amendment to the committee amendment, which would take precedence, in my opinion, over the substitute.

The CHAIRMAN. The Chair desires to make a statement. There is pending before the Committee a committee amendment. The gentleman from Kansas [Mr. REES] has offered an amend-



ment which the Chair understands is in the nature of a substitute amendment. The gentleman from Florida, or any other Member, can offer amendments perfecting the committee amendment. The order will be, first, the amendment perfecting the committee amendments; next, on the perfecting amendments, if any, to the substitute amendment; then on the substitute amendment; and then on the committee amendment.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. If the substitute amendment is voted down, will the committee amendment still be open to amendment?

The CHAIRMAN. It will. The Clerk will report the amendment offered by the gentleman from Kansas.

Mr. ROGERS of Florida. Mr. Chairman, a point of order. My amendment is a perfecting amendment to the committee amendment. Will that not take precedence?

The CHAIRMAN. The gentleman will have an opportunity to offer his perfecting amendment.

The Clerk will report the amendment offered by the gentleman from Kansas [Mr. REES].

Mr. MURRAY of Tennessee. Mr. Chairman, the Clerk did not read the last two amendments which I have on the Clerk's desk, which are perfecting committee amendments.

The CHAIRMAN. After the Clerk reports the amendment offered by the gentleman from Kansas [Mr. REES] the Chair will direct the Clerk to report the amendment offered by the gentleman from Tennessee.

The Clerk read as follows:

Substitute amendment for the committee amendment offered by Mr. REES: "That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$25,000 per annum.

"Sec. 2. (a) The rate of basic compensation of the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, each Under Secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, and the First Assistant Postmaster General shall be \$17,500 per annum.

"(b) Section 105 of title 3 of the United States Code is amended to read as follows:

"COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"Sec. 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$16,000 per annum, three at rates not exceeding \$15,000 per annum, and seven at rates not exceeding \$12,000 per annum."

"(c) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: 'The President is author-

ized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title.'

"Sec. 3. The rate of basic compensation of the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Director of the Federal Bureau of Investigation, and the Deputy Administrator of Veterans' Affairs, the Public Printer, the Librarian of Congress, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, and the Assistant Federal Security Administrator shall be \$15,000 per annum.

"Sec. 4. (a) The rate of basic compensation of the Director of Aeronautical Research of the National Advisory Committee for Aeronautics; members of the Civil Aeronautics Board; members of the Federal Communication Commission; members of the Federal Power Commission; members of the Federal Trade Commission; members of the Interstate Commerce Commission; members of the National Labor Relations Board; members of the National Mediation Board; members of the Railroad Retirement Board; members of the Securities and Exchange Commission; members of the Board of Directors of the Tennessee Valley Authority; members of the Civil Service Commission; the Chairman of the United States Maritime Commission; members of the United States Tariff Commission; the General Counsel of the National Labor Relations Board; the Architect of the Capitol; the Deputy Administrator of General Services; the Housing Expediter; the Director of the Bureau of Federal Supply; the Archivist of the United States; members of the Displaced Persons Commission; members of the Indian Claims Commission; members of the War Claims Commission; members of the Philippine War Damage Commission; members of the Board of Commissioners of the District of Columbia; each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury); each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; members (other than the Chairman) of the board of directors of the Export-Import Bank of Washington; members (other than the Chairman) of the United States Maritime Commission; Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; the three Special Assistants to the Secretary of Defense; and of the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal shall be at the rate of \$12,500 per annum. Notwithstanding section 30 of the Act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), the salary of the Legal Adviser of the Department of State shall continue to be at the rate of \$10,330 per annum.

"(b) The first sentence of section 603 of title 28 of the United States Code (relating

to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$12,500 a year."

"(c) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: 'The Assistant Director shall receive a salary of \$11,000 a year.'

"(d) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

"Sec. 5. In any case in which the chairman or other head of a board or commission and the other members of such board or commission receive the same rate of basic compensation under this act, and such chairman or other head has important duties or responsibilities not imposed upon other members of such board or commission, the President is authorized in his discretion to fix the compensation of such chairman or other head at the rate of \$15,000 per annum.

"Sec. 6. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this act."

Mr. CORBETT (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the substitute be dispensed with. It is rather lengthy, but I understand copies are available at the Clerk's desk.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Would the gentleman from Kansas object to the Clerk reporting the amendments offered by the chairman of the committee [Mr. MURRAY]?

Mr. REES. I have no objection, Mr. Chairman.

The CHAIRMAN. The Clerk will report the committee amendments offered by the gentleman from Tennessee.

The Clerk read as follows:

Amendment offered by Mr. MURRAY of Tennessee:

Strike out section 7, beginning on page 12, line 1, and ending on page 13, line 2.

On page 13, after line 2, insert the following new section:

"Sec. 7. The applicable appropriation for the fiscal year ending June 30, 1950, shall be available for payment of compensation at the rate established for any position by or pursuant to this act unless it is specifically provided that such appropriation shall not be available for such purpose."

Mr. MURRAY of Tennessee. Mr. Chairman, the first amendment strikes out section 7, and is offered for this reason: It provided for a retroactive increase to July 1, 1948, of the classified employees of the District of Columbia and the foreign service, of \$330 per annum. As the Members know, the Congress has already passed a bill authorizing retroactive pay of \$330 per year for the employees of the District of Columbia and the Foreign Service, to July 1, 1948. So this language is not necessary and should be stricken out, because it has already been taken care of by separate legislation.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?



Mr. MURRAY of Tennessee. I yield.

Mr. DONDERO. And that will reduce the amounts specified in the report from about \$6,000,000 to \$1,237,000?

Mr. MURRAY of Tennessee. That is correct.

The second amendment, Mr. Chairman, is simply a clarifying amendment providing that the appropriations ending June 30, 1950, shall be available for the payment of this compensation.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

The CHAIRMAN. The gentleman from Kansas is recognized for 5 minutes.

Mr. REES. Mr. Chairman, in an effort to facilitate matters, because of the short time during which to discuss this measure, being only 30 minutes on our side, I have made reprints of my amendment available, also mimeographed copies of comparative statements with respect to the changes I propose in this legislation.

Before beginning a discussion of this amendment I recall that J. Edgar Hoover's name has been mentioned several times by other Members during this discussion. I also hold Mr. Hoover in the highest regard. In fact, I think he is one of the greatest men in Government today. Sometimes I think he has not received the support to which he is entitled, but let me say to you that when the bill was first submitted, the office of the Federal Bureau of Investigation was not included. It was put in the bill, however, by the committee at a salary of \$15,000. My amendment does not change that figure. Personally, I agree he is entitled to higher pay.

Mr. Chairman, as I said at the outset, I am not objecting to reasonably increasing the salaries of this group of employees. I call your attention to the fact that these 240 people are not civil-service employees. Very few of them ever have been; so do not get them confused, please, with career employees. These people are appointed to jobs, appointed by the President, some confirmed by the Senate and others not.

My amendment does not affect the salaries of the members of the Cabinet, although you do increase their salaries as much as 66 percent in this bill. Now look at section 2 of the bill. You will find the Under Secretaries, and there are many of them who are presently being paid \$10,330 a year. There are about four exceptions who get \$12,000. Under this bill you pay them \$20,000. In other words, you double their salaries at one swoop. My amendment attempts to compromise that figure. It seems to me that \$20,000 for these Under Secretaries is far out of line.

Section 2 of this bill authorizes the President to employ assistants to the President, special counsel to the President, and secretaries to the President. In section 3, you have various assistants and deputy administrators several of them presently receiving \$10,000. This bill would pay them \$17,500 an increase of \$7,500 per year. This is an increase of 75 percent.

There is mentioned in this bill an office that many never heard of before, the

Director of the Administrative Office of the United States Courts. He now gets \$10,000; under this bill you give him \$17,500. I think \$12,500 would be liberal for that job.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Georgia.

Mr. COX. I have examined the schedule prepared by the gentleman and which has been distributed pretty generally here in the House. I am wondering if the gentleman would not be willing to accept an amendment to his substitute by striking out the figure \$12,500 appearing in line 7 on page 5, and inserting in lieu thereof \$14,000?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Chairman, will the gentleman repeat his question?

Mr. COX. Would not the gentleman consider amending his substitute by striking the figure \$12,500 on page 5, line 7, and inserting in lieu thereof \$14,000? In the category you deal with there you have members of the Federal Trade Commission and others holding very responsible positions and they seem to be entitled to better treatment than the gentleman has suggested in the amendment he has offered.

Mr. REES. I may say to the gentleman I realize there are a number of public officials who are entitled to more pay than they receive. I appreciate the gentleman's views as I respect his opinion with regard to other matters that come to the floor of the House for consideration. His amendment relates to members of various commissions. I thought an increase of \$10,000 to \$12,500 should under the circumstances, be fair. These are appointive positions and usually extend over long periods of time. If the gentleman will submit his amendment in due time and the House wants to approve such increase, I will, of course, be required to submit to his proposal.

Mr. Chairman, a great deal has been said on the floor of the House about getting better qualified people for these particular jobs appointed by the President. I do not believe you will find men of much different caliber or qualifications in these positions just because you increase their salaries by 50 percent and 100 percent as you are doing under this legislation. It will be interesting to observe, in the event this bill is approved, whether there are changes in the appointments in these positions.

Men who serve in public office, which include Members of Congress, do not necessarily serve because of the salary they receive. Of course, they are entitled to sufficient salary to carry on, but they do not expect to make money out of such service. There are those who will tell you about certain individuals here and there who have served the Government faithfully and well and go out in industry and do better. I agree with

that, but they accepted such positions because they wanted to serve their Government, and their country; otherwise they would not have been in Government at all. For instance, we read in the newspapers about one man who served in the President's Cabinet who could have commanded a much higher salary on the outside, but he stayed on the job in devotion to his duty. You cannot pay salaries to attract people like that to these jobs. There are many men who secure appointments not because of their particular qualifications. Too many are appointed because of political affiliation and by reason of service rendered to the party and contributions made to the party, rather than because they are particularly qualified for the jobs. In other words, political service comes first and qualifications second. Do not misunderstand me. This is not true in all cases, but in far too many. It would be interesting if you would take the time to look the list over and see how many are included in this bill who are appointed because of the reasons I have indicated.

I want to call your attention to one big factor in connection with this bill. After you have raised the salaries, as proposed in this bill, you are going to be confronted with additional bills that will raise salaries clear across the board and which will amount to not millions but to as much as \$2,500,000,000.

I make this statement for the reason that in approving this legislation you are, as a matter of policy, approving much higher salaries for thousands of employees who now receive a \$10,000 salary ceiling. As a matter of fact, there are thousands of faithful career employees who are just as much and even more entitled to such increases than those included in this special legislation for a selected few you are considering this afternoon. Again let me repeat these are not career employees.

Mr. Chairman, much has been said about the recommendations of the Hoover Commission. In this particular case the Commission did recommend higher pay in policy-making positions, but certainly did not recommend these figures. But more important, I am sure, it was the intent of the Commission in making such recommendations that those employed would be appointed because of their particular fitness for the job and that political affiliation or obligation would be secondary.

Mr. MURRAY of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope the Members will vote this substitute amendment down. Your Committee on Post Office and Civil Service gave long deliberation to this bill. It is a compromise bill. This bill was introduced at the opening of Congress, and the Committee on Post Office and Civil Service did not reach a conclusion on the bill until March. So they had it under consideration for over 2 months. We had extensive hearings. We went into the matter most thoroughly and carefully, and, as I said, every position in the bill as originally introduced was lowered in salary except the salaries of the members of the Cabinet. We lowered



the salaries of all other positions besides the Members of the Cabinet as much as \$2,000 to \$2,500.

I hope you will stay with the committee and vote this substitute down, because the substitute proposed is not justified by the gentleman from Kansas, who proposes to cut the salaries of some of these officials from \$17,500 to \$12,500. He makes a reduction of \$2,500 in the salaries of officials getting \$20,000. Then he reduces the salaries of those in the \$18,000 bracket to \$15,000, a reduction of \$3,000. Then he reduces the salaries from \$17,500 to \$15,000, a reduction of \$2,500. Then he reduced the salaries of those listed at \$16,000 in this compromise bill to \$12,500. Then he reduces the salaries of those listed at \$15,000 to \$12,500.

I know that the Members present here have not had the time, the opportunity, or the privilege to study this matter as the members of the Committee on Post Office and Civil Service have. We have worked long on this. We have brought out a good bill. It is a fair compromise. It is not exactly what the President asked for. We reduced the amounts in some cases. But I do say this, this is a non-partisan measure; it is a bipartisan measure, and the salaries proposed are in line with the salaries of a bill introduced by the Republicans over in the other body at the Eightieth Congress. So it is not in any way a partisan matter, and I appeal to the Members to vote down this substitute.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The argument advanced by the gentleman from Tennessee, I trust, will commend itself to the Members of the House. The Committee on Post Office and Civil Service has given this matter very serious consideration. The bill before us now is a compromise bill, reducing, outside of the members of the Cabinet, the amounts recommended and sought for by the President. Now, if the substitute is defeated, then, on particular positions—such as the Director of the Federal Bureau of Investigation—an amendment can be offered to the committee amendment which will be pending before the House, and the few inequities that might exist in the minds of some Members can be clarified through such an amendment offered from the floor. I join with the chairman of the committee in expressing the hope and urging that the substitute offered in good faith, as it always is by the gentleman from Kansas, will be rejected.

Mr. MURRAY of Tennessee. I thank the gentleman from Massachusetts.

Mr. LYLE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Texas.

Mr. LYLE. I am impressed with the fact that this is not a salary-increase bill. I think, for the first time in the history of this country, your committee has studied the jobs affected and the work that they do and the responsibilities, and have set such salaries commensurate,

so much as they could, with the work and not with the personalities involved. As I understand, it is not a salary increase for the people concerned that is involved, it is a reclassification of the positions, with the salaries being changed so as to be more nearly in accord with the responsibilities of those positions.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Georgia.

Mr. COX. I have no quarrel with the position taken by the gentleman from Kansas, but I do wish to make this observation. The gentleman will be able to get the same consideration on the committee bill that he could get if his substitute were adopted. In other words, I cannot see the importance of the adoption of the gentleman's substitute in order to get consideration for the changes he desires.

Mr. MILLER of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a great deal has been said about timing in this bill and a great deal has been said about compromises. The bill as it now stands is a compromise. The original bill as introduced by me called for salaries of \$17,500 for those positions which are fixed in the bill at \$15,000. In the spirit of compromise in the committee, I accepted that. We fought that all out, and I thought that we were through.

May I read what Mr. Hoover had to say in connection with the original Flanders bill, from which the original bill, H. R. 1639, was taken. Appearing before the Flanders committee he said in part:

I have seen the question raised that this means a vast increase in the expenditures of the Government and the advocacy of such a measure on the part of such a commission as the Commission on Reorganization is a contradiction of its purpose—reduction of expenditures.

As the Commission has recommended it, it somewhat conflicts with the idea of reducing expenses; but, as a matter of fact, there is no greater economy in the Government than the attraction of greater ability and greater skill.

That is what this proposes. Let me reiterate what I have said before. The Hoover Commission has recommended in Appendix A of the Task Force Report that grades CAF-15 and P-8 be set at \$15,000. Those are merit service jobs. These are the civil service jobs. It is said the level should be raised to \$15,000, and this bill places the assistant secretaries, who will supervise these high-ranking Government officials, at the same level that that it is proposed to pay them. I submit it is not good business, if we are going to carry out the Hoover Commission report, to pay civil-service employees \$15,000 a year, and pay the executives who will administer and direct those people, \$14,000 a year, or \$12,500 a year. Verily, I say to you this is penny-wise and pound-foolish. We have heard this argument about the salaries of Members of Congress, and that they should not be paid more than that. Let us be factual. Our salaries are \$16,500 a

year. We pay ourselves \$12,500, and we take \$2,500 in non-taxable expenses. If you figure it out, it comes very close to \$16,500 a year. So we would be paying the servant more than the master. But if that argument holds good, and you adopt the Rees amendment, then you are falling in the position of paying the employee, the servant, more than the master.

In respect to timing, may I say I quoted that from Appendix A of the Hoover Commission Report, the very first one to be filed. I feel that the schedule of bringing this bill out, a bill which will give us the proper type and encourage the proper type of Federal employee to administer the affairs of Government, is in good keeping and in consonance with the best thought and recommendation of the commission for which we appropriated \$2,000,000.

Mr. ROGERS of Florida. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. ROGERS of Florida: On page 8, line 19, after the word "Administrator", insert "Director, Federal Bureau of Investigation."

Mr. ROGERS of Florida. Mr. Chairman, I ask unanimous consent to speak for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Chairman, the consideration of this bill at this particular time disturbs me somewhat. There is always a time for everything. The Good Book says there is a time to mourn and a time to rejoice. There is a time to laugh and a time to cry. There is a time to do this and a time to do that. But I want to say to the membership of the House I doubt seriously whether in our Nation's financial and economic condition at the present time we ought to increase the expenses of government. I want you to consider yourselves as directors of a great corporation. You are directors of a great corporation. You represent the stockholders of this great Government of ours. You have the duty of taking care of the interests of the people and of taking care of the Government. I appeal to your business sense and judgment. If you were called together to a meeting to pass on the policy of a corporation in which you were directly interested and where your money was being expended, and if there was facing you a deficit of \$1,867,000,000, and an indebtedness of \$252,000,000,000, if your corporation faced the possibility of going into the red more than \$5,000,000,000 for the next fiscal year, what would you do? Would you increase the salaries of the employees of that corporation? Would you do it? That is what we are doing. We are here as representatives of the people of the respective States who are stockholders in this great Government of ours. We are here expending their money. We are asking them, in face of the facts which I have related to you, to increase the salaries of the heads and assistant heads of executive departments and independent agencies of this Gov-



ernment. Is it fair to them? Is it right? Do we know where we are going?

When the President sent his letter to the committee on January 6, 1949, the picture was a great deal different than what it is now. It looked like we had to deal with the problem of inflation. But since that time where have we gone? The members of the Council of Economic Advisers do not know where we are going. Mr. Nourse says we are in a state of disinflation. One of the other members says he does not know where we are. But we do know we are in a period of declining prices and business and in a period of increasing unemployment, which you may call recession, disinflation, or deflation.

I appeal to the common sense of your best judgment as to whether or not this is the proper time for us to consider increasing the expenses of Government by increasing the rates of compensation as provided in H. R. 1689. I say to you we should put this off until we find where we are. There is an economic storm brewing. I think it is unsafe for us to go on a spending spree now, not knowing where we are going.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield.

Mr. MURRAY of Tennessee. I understood the gentleman to offer an amendment. I understood that your amendment would give the Director of the FBI an increase to \$17,500.

Mr. ROGERS of Florida. Yes.

Mr. MURRAY of Tennessee. Let me ask the gentleman this question. If we agree to amend the bill in accordance with the gentleman's amendment, will he then support the bill?

Mr. ROGERS of Florida. This is the only increase in salary that appeals to me, this increase to J. Edgar Hoover. I do not think we should go overboard and ask this Congress to increase salaries \$1,237,000 at this particular time.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield.

Mr. MURRAY of Tennessee. If we agree to your amendment and the amendment is adopted, will the gentleman then support the bill?

Mr. ROGERS of Florida. I say to the gentleman that, this is no time for us to launch into the expenditure of money for this program. It is not the time, because we do not know whether we are going into a depression or a recession or what not. Every man included in this bill, when he took his job, knew what he was going to get at the time he took the job. You cannot increase salaries during your term of office. Now, why not let this roll along for the time being, and then later on, in 1950, we will know possibly where we are going. We are floating somewhere. We all talk "economy, economy," but we do not practice it in a single way, in a single piece of legislation that this House has enacted. This legislation should be postponed.

However, should this bill pass, I think it should be amended to increase the compensation of J. Edgar Hoover. I am certain you will concur, if you will refer to page 64 of the report on H. R. 1689

and read the responsibilities of the director, Federal Bureau of Investigation. We raised the salaries from anywhere from \$5,000 to \$10,000 at one swoop, at one stroke; yet here is a man looking after the national security—he looks after your security—who has been meagerly paid all the time he has been Director of the Bureau of Investigation. The thought struck me as having merit, that his salary should be increased. I therefore prepared an amendment transferring the Director of the Bureau of Investigation from page 10 to page 8, where I place him in a class with the Public Printer. The Public Printer will get \$17,500; the Librarian of Congress will get \$17,500; and I feel sure that the Members of the House believe that J. Edgar Hoover should get \$17,500. Let me say to you that while he is no special friend of mine I do know him and know that he has done a splendid job for the people. If this bill is to be passed I think he should be placed in the class of those receiving \$17,500. The adoption of my amendment would be a vote of confidence in J. Edgar Hoover and the splendid work he is doing for our Nation.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have no objection to the amendment offered by the gentleman from Florida; in fact, I think it is praiseworthy. We have no more faithful or more valuable public servant in America today than the present incumbent of the office of Director of the Federal Bureau of Investigation, J. Edgar Hoover.

The reason this office was not included in the original bill was because he was not an appointee of the President. Mr. Hoover is appointed by the Attorney General, not by the President. For that reason that office was not included; the bill, in its original form, did not include any official not appointed by the President.

I am disposed to accept the amendment, and I hope the gentleman from Florida will then vote for the bill.

Mr. FORD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Chairman, I support the amendment of the gentleman from Florida because my examination of the bill and the committee report reveals certain inequalities that are perfectly obvious to everyone. In fact, I have an identical amendment on the Clerk's desk. The Committee on Post Office and Civil Service has made the proposed salary adjustments on the basis of duties and responsibilities, but in my estimation they have missed the boat in evaluating the position of the Director of the Federal Bureau of Investigation.

Let me make a concrete comparison, and I have assembled the necessary data from the committee report on this bill. Mr. Tighe Woods is the Housing Expe-

diter. He has the responsibility of administering the Rent Control Act. J. Edgar Hoover is the Director of the FBI—the organization that so ably protected our domestic security during the last war. Mr. Woods' present salary is \$12,000 per year, while Mr. Hoover's is \$14,000 annually. Under the proposed bill Mr. Woods will receive a salary of \$15,000, an annual increase of \$3,000, while the head of the FBI will receive only a \$1,000 boost, making his salary the same as Mr. Woods'.

According to the committee report Mr. Woods, as Housing Expediter, will supervise 4,836 employees and manage a budget of \$22,972,000 during fiscal year 1949. In contrast, J. Edgar Hoover, as head of the Federal Bureau of Investigation, in the same period supervises 9,664 employees and manages a department budget of \$47,461,800. This comparison, using figures from the committee reports, shows that Mr. Hoover has approximately twice as many employees in his department and handles over twice as much money during a 12-month period, yet the committee recommends the same salary for both department heads. It does not make sense and if the committee has been as illogical in other specific cases I believe the bill should be returned to the committee for further study. In passing, I might add that the duties and responsibilities of Mr. Hoover, leaving aside the number of employees and expenditures, seem to be infinitely more important than those performed by the Housing Expediter.

Let me make another comparison. The Director of the Central Intelligence Agency holds a position in many ways comparable to the head of the Federal Bureau of Investigation. Under the proposed bill the present salary of the Director of the Central Intelligence Agency is \$17,500 annually, an increase of \$3,500 from the present salary. Since Mr. Hoover's work is equally important I firmly believe his salary should be identical. This amendment will accomplish that result.

The question of domestic security is of vital importance. We need the best personnel obtainable to insure the protection of our citizens. Mr. Hoover's record for the past 25 years is unassailable. The monetary reward proposed by my amendment, after long years of faithful and devoted service, is small compensation for his invaluable contribution.

Mr. CORBETT. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. CORBETT. Mr. Chairman, I wish to call attention to the Rees substitute amendment. This amendment provides for liberal salary increases; it provides for increasing the salaries of Cabinet members to \$25,000; it provides generous increases for all of the 244 individuals covered by this bill.

Over all, Mr. Chairman, the Rees substitute would provide \$700,000 a year in annual increases. We should therefore divorce from our minds the thought that this is a bill which does not increase salaries, for there are \$700,000 worth of increases in the Rees substitute bill. As



was pointed out during general debate, it is always easy to increase salaries; it is almost impossible to decrease them. As the gentleman from Florida, who preceded me, stated, this country is demanding economy from this Congress. In the days just ahead we are going to have an increasing avalanche of mail and public insistence that we cut the cost of Government. But here it is proposed that we grant increases up to 100 percent, according to the original bill. I say now, as I did before, there is no sharp controversy as to whether or not there should be increases but there is controversy as to what is a reasonable increase.

Mr. Chairman, I am going to urge the committee to support the Rees substitute, support it as a generous salary increase for executive officials, support it as a step toward improving the efficiency of the Government. And because the Rees substitute is justified is no reason why you should continue these increases up and up. You can accept the argument that a salary increase is in order but that does not mean that you have to jump some individuals \$10,000 a year.

With the economic condition of the country as it is today, it would be, in my opinion, a very bad thing for us individually to send word out to the country, to the growing ranks of unemployed, that we upped the salaries of Government officials as much as \$10,000 a year.

Mr. Chairman, I hope the Rees amendment will be accepted. In years to come if we find it necessary and desirable we can provide further increases.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I ask unanimous consent that all debate on the substitute amendment offered by the gentleman from Kansas [Mr. REES], and all amendments thereto, close in 20 minutes.

Mr. CASE of South Dakota. Mr. Chairman, I wonder if the gentleman will not extend that. There are a great many Members on their feet. The Rees substitute is the most orderly amendment that has been offered.

Mr. MURRAY of Tennessee. This will not close time on amendments to the committee bill itself, just on the substitute.

Mr. CASE of South Dakota. I recognize that is true, but the gentleman from Kansas has worked out an orderly and systematic approach to amending the bill. Mr. Chairman, I object.

Mr. MURRAY of Tennessee. Mr. Chairman, I move that all debate on the substitute amendment and all amendments thereto close in 30 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I am sure that every good American in and out of Congress recognizes and appreciates the great job that J. Edgar Hoover has done in peacetime and in wartime, and every day and many nights. For that reason I certainly feel, as do many Members of this House, and I am sure

I bespeak the feelings of the overwhelming majority of the American people, that the salary of J. Edgar Hoover should be commensurate with the great responsibility and the great risk and the wonderful job he has done. I would like to ask the gentleman from Kansas if he will not accept an amendment to his substitute providing that the Chief of the Federal Bureau of Investigation be raised to \$17,500.

Mr. REES. Mr. Chairman, I will say to the gentleman that if he will offer an amendment increasing the salary of the Chief of the Federal Bureau of Investigation to \$17,500, there will be no objection to it. It was not included in this substitute because the original bill provided only \$15,000, and I was trying to keep in line with that bill. So, if the gentleman will offer such an amendment I will accept it, so far as being the author of the substitute is concerned.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the amendment which I have just suggested be considered as a part of the Rees substitute and be adopted.

Mr. MURRAY of Tennessee. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MURRAY of Tennessee. Mr. Chairman, was not the amendment offered by the gentleman from Florida [Mr. ROGERS], which, in effect, increased the salary of the FBI director to \$17,500 an amendment to the original committee amendment, or was it an amendment to the substitute offered by the gentleman from Kansas?

The CHAIRMAN. The gentleman from Florida offered his amendment as an amendment to the committee amendment.

Mr. MURRAY of Tennessee. And that has been adopted and is a part of the committee amendment?

The CHAIRMAN. The amendment has not been voted upon. No amendment has been voted upon. There is pending before the Committee the committee amendment and a substitute, and the amendment offered by the gentleman from Florida. Does the gentleman from Iowa desire to offer his amendment now?

Mr. JENSEN. I offer this amendment to the Rees substitute to increase the salary of the Chief of the Federal Bureau of Investigation to \$17,500.

The CHAIRMAN. Will the gentleman reduce his amendment to writing and send it to the desk?

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Would it be in order to propound a unanimous-consent request that both the committee amendment and the Rees substitute be modified to place the Director of the Federal Bureau of Investigation in the class receiving \$17,500, in accord with both of the amendments that have been proposed?

The CHAIRMAN. The gentleman may submit such a unanimous-consent request, but the Chair would like to sug-

gest that in the opinion of the Chair it would be better parliamentary procedure to submit the amendment in writing.

Mr. CASE of South Dakota. This was simply a unanimous-consent request that both the committee amendment and the Rees substitute be modified to place the Director of the Federal Bureau of Investigation in the \$17,500 category.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

Mr. MURRAY of Tennessee. I object, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, I rise in support of the Rees substitute amendment.

Mr. Chairman, it has been well said on the floor of this House today that in the Committee on Post Office and Civil Service there is little partisanship, and that is true. That is a good thing.

There is also a spirit of compromise. I feel that this amendment is offered in a spirit of compromise. Some of us are alarmed at the trend toward greater expense at this time in our country's finances. I am one of them. I have grave misgivings as to how this kind of legislation is going to strike many of the people back home who have been waiting impatiently and longingly for some economy.

This amendment offered by the gentleman from Kansas does cut the amount down a little bit. Of course, the total amount is negligible when we are thinking in terms of billions, but we have to make a start somewhere. Personally I would prefer not to see the Under Secretaries or the Assistant Secretaries paid more than the Members of Congress of the United States. However, if this is the best compromise that can be made, and I am sure the distinguished gentleman from Kansas has explored every possibility, I hope the House will vote for this substitute amendment.

[Mr. BUCKLEY of Illinois addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, I shall vote for the Rees amendment. I think the amendments increasing the Director of the FBI, offered by the gentleman from Florida and the gentleman from Iowa, respectively, are good, but I rise to ask a question of my colleague, the gentleman from California [Mr. MILLER], or of any member of the committee. Rather than have my time run out before the question is answered, I want to say that upon this question I base my reason for offering a motion to recommit, if the committee itself does not offer one. The gentleman who spoke for the committee said this had been carefully considered, and that the gradations between salaries in the bill had been carefully considered. I want to find out, and I think the House is entitled to know, Mr. Chairman, why an



Under Secretary of, shall we say, the Department of Commerce, is entitled to more money than the Administrator of the Veterans' Administration, or is entitled to more than the head of the Reconstruction Finance Corporation, which is one of the largest financial institutions in the world; or is entitled to more money than the chairman of the Atomic Energy Commission, who is recognized as holding one of the most difficult, strenuous, and responsible jobs in the Federal Government. What is there about the under secretaryship of the Department of Commerce, or the Department of Agriculture, or the Department of Labor, or any other department, which is worth \$4,000 a year more than the chairmanship of the Reconstruction Finance Corporation?

Since the committee is on record as saying that was carefully considered, I feel we should have the answer. Again I say, Mr. Chairman, this is the reason, if the committee does not offer a motion to recommit, I shall offer a motion to recommit in order to reconcile these salaries.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I desire to speak briefly on the pending measure, H. R. 1639, increasing rates of compensation of the heads and assistant heads of executive departments and independent agencies.

In the committee report it is stated that "failure to take action on this measure on the grounds that the annual appropriation of a little more than a million dollars is too exorbitant will be 'penny wise and pound foolish.'" I endorse this statement wholeheartedly.

As a member of the Armed Services Committee, I have had the opportunity to observe the varied activities of the largest component in our Government, which itself is the largest single enterprise in the world, the National Military Establishment. The National Military Establishment is presently the employer of over 2,500,000 military and civilian employees and will have an annual expenditure estimated at \$13,800,000,000 for the current fiscal year. The Navy, by itself, represents capital investments, expenditures, personnel, plants, and operations almost three times the size of the United States Steel Corp. To run such a huge establishment we now pay 20 top officials a total of \$230,000 a year—an average salary of \$11,500. Compared to salaries paid to officials in even the smaller corporations in private business, this is a ridiculously low average.

If we really want to effect economies in the operation of the Government, it is apparent that one of the best opportunities would be in the Military Establishment. Such economy, however, is not going to come about automatically—it is going to have to be done by hard work on the part of competent people. Until compensation commensurate with responsibilities involved can be offered, it is most difficult to obtain and retain competent officials who can put into effect the sort of constructive recommendations for economy made by the

Commission on Organization of the Executive Branch of the Government. If we are going to expect real economies now being discussed incident to the consideration of the measure to amend the National Security Act of 1947, we must provide the Military Establishment the means for doing a top-flight management job.

Due to my familiarity with the Military Establishment, I have emphasized this phase of the problem, but I am sure the same is true in all Government agencies. Again I want to stress that this measure is really an economy measure that should return many, many times its cost in increased efficiency and economy through intelligent, competent management of our complex Government structure.

I support this measure as a means whereby the President will have better opportunities to secure the competent officials required to run the many important functions of our Government.

In these days of cold wars, we are all very much aware of the work being done by the National Military Establishment in supporting the domestic and foreign policies of our Government. The Berlin airlift is probably the best known example of this support.

Let us reflect a moment on the situation with which the President is now faced in securing competent officials to run this establishment—officials who every day must make decisions and take actions that will directly affect the lives of those present and of our children and of our children's children for years and years to come. Officials on whose judgment we must depend to a large extent to keep us out of war by providing the means whereby there can be no doubt in the minds of possible aggressor nations that we have the ability to defend ourselves.

The Secretary of Defense who is the person primarily responsible for all matters relating to the security of this Nation, on whose shoulders falls the tremendous burden of operating the Military Establishment of over 2,500,000 military and civilian employees, whose every action and every decision might well mean the difference between life and death for our sons and grandsons—yes, and for us, too, since in any future war there will be no lines of battle and the civilian population will be in the battle area, too—for this tremendously important position we pay \$15,000 a year.

The Secretaries of the Army, the Navy, and the Air Force with responsibility for running establishments many times larger than our biggest corporations also receive only \$15,000 a year. The man responsible for managing the financial affairs—involving approximately \$14,000,000,000 for the current year—of the National Military Establishment receives only \$10,000 a year. Other officials with similar responsibilities receive similar small salaries.

I, for one, say that we should pass this measure without hesitation. If the additional expenditure of a little over a million dollars a year will assist in any way in assuring that the best possible men are obtained in these positions of responsibility so fateful for all of us, we would

indeed be derelict in our duty if we denied this possibility.

Mr. Chairman, I ask unanimous consent that the balance of my time may be granted to the gentleman from California [Mr. HOLIFIELD].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, about 2 years ago we formed what is known as the Hoover Commission. They appointed a Personnel Policy Committee to consider this question of governmental salaries in the executive branches. Among the people who were on that Personnel Committee were men like Mr. John Stevenson, president of the Penn Mutual Life Insurance Co.; Mr. Lawrence Apley, former vice president of Montgomery Ward; Senator Harry Byrd, of Virginia; Franklin D'Olier, former president of the Prudential Life Insurance Co. of America; Robert Ramspeck, a former Member of Congress, and chairman of the House Committee on Civil Service; A. W. Robertson, chairman of the board of Western Electric Co.; and various other famous men from industry, science, and the professions.

They made a complete tasks report study of the salaries and personnel conditions of the men in key positions in the executive branch. Now, what did they say, among other things, along this line, and it is in support of the committee bill that I am speaking.

They said:

The failure to lift the salary ceiling for top Federal positions has created serious inequities and forced many career officials to leave the service.

They said further:

The gravity of this problem is demonstrated by the fact that an income of \$10,000 is the equivalent of less than \$5,200 in 1939, after allowing for increased income tax. The result has been made repeatedly clear by the stream of resignations from top positions in the past 3 years and by the problem of attracting well-qualified individuals into positions in the top pay brackets. One study of the earnings increase secured by 170 individuals who left the Government in the year 1945 revealed the average increase obtained over their Government pay was 92 percent.

President Truman gave special attention to this problem in his address at Princeton in June 1947 when he said, and I quote:

Salary limitations prevent the Government, in many instances, from securing the kind of executives required to maintain its vital activities.

I want to point out that the business of the Government of the United States is the biggest business in the world. We are entitled to have men at the head of these different departments, handling over 2,000,000 personnel and millions and millions of dollars who know what it is all about and who are men of caliber to do the job and do it well. No one contends that the Government can pay the same rate as industry pays, but at least we should establish such salaries so that we can retain good men in the jobs. The



record shows that they are leaving at the rate of 170 key positions in 1 year.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. RAYBURN. Does it not seem to the gentleman from California, as a legislator, that the orderly way to proceed here is to take up the committee amendment and perfect that committee amendment after voting down the substitute?

Few Members have had an opportunity to examine the substitute. They do not know whether it is fair or not. If we vote down the substitute, then anyone who wishes to offer an amendment to the committee bill may offer it, and we can proceed, as it appears to me, in a much more orderly fashion and do the thing that ought to be done. The President of the United States has never vetoed any increase in salary for Members of Congress, any increase in clerk hire, or anything of the kind. Do you not think we are doing little enough for him when some of us know the distress he is in, trying to keep the good men that he has to carry on this reorganization work in the Government departments? Do you not think we should give him practically what he asks, in order that he can conduct his office in an orderly fashion and do the job that we expect him to do?

Mr. HOLIFIELD. I certainly agree with the honorable Speaker in everything he has had to say. I hope this committee will vote down the Rees amendment and then we can proceed to make such perfections in the committee bill as are necessary.

The CHAIRMAN. The time of the gentleman from California [Mr. HOLIFIELD] has expired.

The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, the frankest statement about this bill that I have heard made today was the statement made by the gentleman from New York [Mr. MULTER]. The gentleman from New York called attention to the fact that there is a bill pending before this same committee to give another increase in salary to Members of Congress. Then the gentleman said:

The pending bill is a step in the right direction.

And in that connection said that consideration had been promised for the pay-raise bill for Members of Congress.

My people may be a little different than people in other parts of the country. I do not know. But if there is one theme that is running through the correspondence I am getting today it is that we must stop the spiraling cost of Government. The actual dollars in this bill are not large, but if this bill is to be the forerunner of another salary increase for Members of Congress, then your hands are going to be stayed against voting for other increases here and there all along the line. There is nothing, in my judgment, that would cause greater revulsion against the Congress as an institution today, and against individual Members thereof, than to pass another

pay increase for the Members of Congress.

The Rees substitute is an orderly substitute for the pending bill. It recognizes the need for a modern pay schedule in the executive branch and in the independent agencies of the Government, but it does not make the excessive jumps proposed in the committee bill. Most of the \$10,000 people step up to \$12,500. Most of those who receive eleven or twelve thousand step up to fifteen thousand. Those at fifteen or sixteen thousand go up to seventeen thousand five hundred or eighteen thousand. But the Rees substitute does not make the 50-, 60-, and 80-percent increases which characterize the committee's proposals.

The gentleman from Kansas has offered an orderly, systematic substitute, and I hope you will support it.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Chairman, I have been looking over the figures as quickly as I could with reference to the reduction of certain salaries, as covered by the Rees substitute. If I read the figures correctly, the Under Secretary of the Department of Labor, under the Rees substitute, would receive an increase from \$10,330 to \$17,500. The Under Secretary of the Department of Commerce would receive an increase from \$10,000 to \$17,500, and so on. These are large increases, but not nearly so large as the committee bill provides.

We will set a bad precedent if we pass this increase salary bill. If some increase is necessary it would seem to me that we are making substantial increases if we adopt the Rees amendment. I find that everyone throughout the country is asking the Congress to economize; the Congress is saying they cannot economize, but they are going to try to persuade or insist upon, or compel the President to cut the cost of government; and the President, very justly, comes back and says that that is largely the responsibility of the Congress. This is a small amount to add to the cost of government, but it sets a precedent that will start leaks in the dike against the pressure for higher salaries all along the line. It would seem to me that we ought to curb it at least to the extent of holding it down to the Rees amendment.

The facts are no increases of salaries should be considered at this time. We cannot reduce the cost of government if we continue to raise salaries. It is unfair to the overburdened taxpayers who will have to pay the bill. The financial condition of the Nation and the general business conditions of the country do not justify these enormous raises in salaries to those in government who already enjoy the highest salaries in government. We should be reducing the cost of government, rather than increasing as this bill will do.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The gentleman from Mississippi [Mr. WILLIAMS] is recognized.

Mr. WILLIAMS. Mr. Chairman, I listened with much interest to my distinguished Chairman a few minutes ago as he discussed the Rees amendment and compared it with the bill. I know that he did not intend to, but I am afraid he left the impression that the Rees amendment is a salary-cutting amendment. It does not cut the salary of a single one of these executives; it increases substantially the salaries of every one of them.

Let us look at this thing just a minute and see which one provides the reasonable increase in salary. For instance, the Assistant Comptroller General presently drawing \$10,330 a year is given \$18,000 under the Committee bill, an increase of approximately 80 percent. Under the Rees substitute he is given an increase of approximately \$5,000, bringing his salary up to \$15,000, or an increase of approximately 50 percent. Is a 50-percent increase a reasonable increase? In my opinion that is the way to increase salaries, increase them reasonably.

There is one case of a man presently drawing \$9,700 who is increased by the bill to \$15,000; the Rees amendment cuts him back to \$11,000. That gives him a nice increase, from \$9,700 to \$11,000, which would appear to me to be more reasonable than to give him an increase to \$15,000.

Frankly, I do not see anything to the recommendations of the committee, and I so expressed myself in the committee, except to call the bill as presented a bureaucratic joyride at the taxpayers' expense. I hope the Rees amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The Chair recognizes the gentleman from Minnesota [Mr. McCARTHY].

Mr. McCARTHY. Mr. Chairman, the gentleman from Mississippi and the gentleman from Kansas argue that you can help a man drowning some 20 feet offshore more by throwing him a rope 15 feet long rather than by throwing one 10 feet long. I should like to make one or two observations: First of all, that there is no increase proposed in this bill which is too high; there may be some salaries proposed which are too low, some which should be brought up.

We propose to pay the members of the Cabinet \$25,000 a year. General Motors Corp. in 1946 had 10 vice presidents—one might call it the cabinet of General Motors—and, according to statistics available to the Legislative Reference Service, one vice president, the highest paid, received \$113,775, and the lowest of the 10 vice presidents of General Motors received \$73,100. The "cabinet" of the Montgomery Ward Corp. consisted of nine members. The highest paid received \$101,700 and the lowest about \$35,000 per year. We propose to pay \$25,000 to members of the Cabinet of the United States. The comptroller of the Standard Oil Co. received \$40,000 a year. We propose to pay the Comptroller General of the United States of America \$20,000. The president of the General Motors Acceptance Corp., the credit de-



partment of General Motors, received \$71,500 a year. We propose to pay the Chairman of the Reconstruction Finance Corporation \$16,000 a year. Is that too much? The general counsel of General Motors received \$101,000, according to this report. The Attorney General, according to our proposal, would get \$25,000 a year.

I would like to remind some of the men who have spoken here and who are horrified at an increase of \$5,000 to \$10,000 per year in salary that the effect of the income-tax reduction which they voted last year increased many take-home salaries \$40,000 to \$50,000, and more. This was the salary increase engineered by the gentleman from Minnesota, whose memory is perpetuated in his absence by the picture on the wall of this Chamber.

I ask the membership to vote down the Rees amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. ROGERS] to the committee amendment.

Mr. MURRAY of Tennessee. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MURRAY of Tennessee. Is the vote on an amendment to the committee amendment? I thought we were considering the substitute and amendments thereto.

The CHAIRMAN. The Chair will state the parliamentary situation. There is pending before the Committee an amendment by the committee. There is pending a substitute offered by the gentleman from Kansas thereto. There is also pending an amendment to the committee amendment offered by the gentleman from Florida.

The parliamentary rules require that amendments to the committee amendment be voted upon first, then amendments to the substitute be voted upon. After both are perfected, then the substitute amendment will be voted upon.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. The parliamentary inquiry is whether or not the amendment of the gentleman from Florida is the one that relates to J. Edgar Hoover?

The CHAIRMAN. The Chair so understands.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent that the Rogers amendment be reread.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk reread the Rogers amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. ROGERS] to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN.

On page 2, line 5, of the Rees substitute, before the period insert: "and the compensa-

tion of the Director of the Federal Bureau of Investigation shall be \$17,500."

On page 3, line 3, strike out "the Director of the Federal Bureau of Investigation."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN] to the substitute amendment.

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 92, noes 89.

So, the amendment was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. REES) there were—ayes 86, noes 106.

Mr. REES. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. REES and Mr. MURRAY of Tennessee.

The Committee again divided; and the tellers reported that there were—ayes 109, noes 152.

So the amendment was rejected.

Mr. HINSHAW. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW to the committee amendment: On page 10, line 22, after "Naturalization", insert "Administrator of Civil Aeronautics."

Mr. HINSHAW. Mr. Chairman, in searching this bill to find whether or not all of the Presidential appointees were included, I could not find anywhere inclusion of the Administrator of Civil Aeronautics. This officer is an appointee of the President of the United States subject to Senate confirmation and operates a very important agency of the Government now under the direction of the Secretary of Commerce pursuant to a reorganization plan of some years ago, I believe 1940.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MURRAY of Tennessee. The committee has no objection to the amendment offered by the gentleman from California.

Mr. HINSHAW. Mr. Chairman, I thank the gentleman, and I am glad that he will not oppose the amendment. The Civil Aeronautics Administrator has under his direction more than 17,000 persons and an annual budget of about \$100,000,000. The Administrator is surely entitled to receive a salary of at least \$15,000 per year.

The CHAIRMAN. The question is on the amendment to the committee amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT to the committee amendment: On line 25, page 10, after the words "Commissioner of Customs" insert "Commissioner of Narcotics."

Mr. VAN ZANDT. Mr. Chairman, the Commissioner of Narcotics heads the Bureau of Narcotics of the Treasury Department and is responsible for the administration and enforcement of the

Federal narcotic laws. He is also the United States representative, without compensation, to the Commission on Narcotic Drugs of the United Nations and actively participates in the drafting and implementation of the various conventions limiting the international traffic in narcotic drugs to medical and scientific uses.

Under existing law and pursuant to the treaty obligations he closely supervises the importation, exportation, and domestic distribution of narcotic drugs by over 200,000 doctors, pharmacists, manufacturers and wholesale dealers, to the end that these dangerous drugs shall be available only for medical and scientific needs and not for the perpetuation of drug addiction.

The Bureau of Narcotics is recognized as one of the outstanding law enforcement agencies of the Government, as is demonstrated by the fact that while it has in its employ only 2 percent of the Federal law enforcement agents, it is responsible for the conviction and confinement of 9 percent of the present Federal prison population.

The position requires unique qualifications in view of the great measure of responsibility involved in the problems of vigorous enforcement of the narcotic laws and discharge of the international obligations under the several narcotic conventions. The salary of the position should be commensurate with this large responsibility.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. CANFIELD. As a member of the Subcommittee on Appropriations for the Treasury Department and one who has listened to Dr. Anslinger for the last 4 years, I hope the gentleman's amendment is adopted. He is not only one of America's great administrators but one of the finest administrators in the world.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. MURRAY of Tennessee. The committee will not oppose the gentleman's amendment. We have no objection to it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. GROSS. I am glad the gentleman told us what the salary is. We did not know about the other one when we voted on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

The amendment was agreed to.

Mr. MURRAY of Tennessee. Mr. Chairman, I ask unanimous consent that all debate on the committee amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. SCRIVNER and Mr. COOLEY objected.

Mr. MURRAY of Tennessee. Mr. Chairman, I move that all debate on the committee amendment and all amendments thereto close in 10 minutes.



Mr. LECOMPTE. Mr. Chairman, a parliamentary inquiry. Does that mean all debate on the entire bill?

The CHAIRMAN. The Chair understood the gentleman from Tennessee to move that all debate close in 10 minutes on the committee amendment and all amendments thereto.

Mr. TACKETT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TACKETT. How many amendments are there on the Clerk's desk now?

The CHAIRMAN. The Chair is advised there are four amendments on the Clerk's desk.

Mr. MURRAY of Tennessee. Mr. Chairman, I ask unanimous consent to modify my motion to make the debate close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. COOLEY. Mr. Chairman, reserving the right to object, I have an amendment which I desire to offer. Is it in order to offer that amendment at the present time?

The CHAIRMAN. There is pending before the Committee a unanimous-consent request of the gentleman from Tennessee to revise his motion; that all debate on the amendment and all amendments thereto close in 20 minutes. Is there objection?

Mr. COOLEY. Mr. Chairman, I have reserved the right to object to propound a parliamentary inquiry as to whether or not it is in order for me to offer an amendment on page 2 at this time.

The CHAIRMAN. The motion of the gentleman from Tennessee [Mr. MURRAY] must be disposed of first, and then it will be in order for the gentleman from North Carolina to offer his amendment.

Without objection, the request of the gentleman from Tennessee [Mr. MURRAY] to amend his motion will be granted.

There was no objection.

The CHAIRMAN. The question is on the motion offered by the gentleman from Tennessee [Mr. MURRAY] that all debate on the committee amendment and all amendments thereto close in 20 minutes.

The motion was agreed to.

Mr. LECOMPTE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LECOMPTE. How much time does that allow each one, Mr. Chairman?

The CHAIRMAN. Approximately one and one-third minutes.

Mr. GREEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Chairman, I would like to speak briefly in behalf of the measure, H. R. 1689, which is now before the House for consideration. This measure is intended to raise the compensation of the heads and assistant heads of

the executive departments and independent agencies of the Federal Government to levels which, in the opinion of the committee, are in keeping with the duties and responsibilities borne by these officials.

I believe that the House, after considering this measure, will agree that the proposed salary increases are fully justified, in view of the grave responsible duties borne by the executive heads of the departments and agencies involved. In many cases, it will be the first major adjustment of salaries for these key officials since 1925, for, as the committee's report states, there has been no congressional revision of the salaries of most of these executive heads since that time, although recognition has been granted by the Congress to the heads of new major Federal agencies created since World War II.

The most obvious cases are those of the department heads and of the Secretary of Defense. It has been recommended that these key officials be paid at a rate of \$25,000 per annum, and in view of the heavy workload of responsibility devolving upon these men, I feel that the committee's recommendation is fully justified. Many of the Federal departments are equal to or far larger than the largest comparable private business in this country, yet these Cabinet officers, for example, draw far less than the vice president of the smaller private corporations. The Secretary of Defense heads an organization employing a combined civilian and military staff of over 2,500,000. The Postmaster General heads a huge postal communications organization employing over 500,000 people, while the Director of Aeronautical Research of the National Advisory Committee for Aeronautics has a larger and more complex research assignment than his alter ego in any private aircraft firm in the Nation. The departments and agencies which they head often carry on large and complex businesses, employ great numbers of people, and are responsible for the proper annual expenditure of extremely large sums. It is obvious that such positions should be filled by highly competent men, yet, during the past years, a considerable number of these experienced and competent executives have been forced to leave these key Federal positions because of the inadequate salary paid. These salaries, which were fixed years ago, are unrealistic in terms of the present-day responsibilities of these key executive posts.

I feel that it is absolutely essential to provide incentives, in the form of suitable annual compensation, in order not only to retain in the Federal service its remaining experienced and competent administrators, but also to attract able and well-qualified personnel into the government to fill these key posts. I believe that a policy of staffing these top positions with able administrators will return the additional cost—estimated at approximately \$1,500,000 per annum—to the Nation many times over each year through greater efficiency and improved operation of the Federal agen-

cies affected. Without competent persons in these key posts, we can expect only mediocre performance by the departments and agencies so staffed.

The committee's recommendations on this measure are based not only on the principles of good management and efficient administration, but also on the fact that the responsibilities of the occupants of these posts have increased greatly in recent years and have placed a very heavy burden on such officials. We had a recent and tragic illustration of the pressures and strains to which key officials can be subjected in the performance of their duties.

It is my belief that only the ablest and most competent personnel should be asked to carry on, as heads and assistant heads of executive departments and agencies, the administration of the affairs of our country. I feel that you will agree with me that an adequate salary will provide one of the incentives which will attract such competent officials into the Federal service and that it is our responsibility to see that this is done.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 11, line 2 of the Committee amendment after the words "Farmers' Home Administration" insert the following: "Manager of the Federal Crop Insurance Corporation."

The CHAIRMAN. The gentleman from North Carolina is recognized in support of his amendment.

Mr. COOLEY. Mr. Chairman, I hope the committee will accept this amendment.

Mr. MURRAY of Tennessee. Mr. Chairman, the committee has no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. SCRIVNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRIVNER to the committee amendment: On page 11, line 18, strike out all of section 6.

Mr. SCRIVNER. Mr. Chairman, I hope the committee concurs in this amendment to strike out section 6. It does not add any particular person to the pay roll, but it may save many dollars.

This section gives arbitrary power to the President to increase the salary of the chairman or head of a board or commission to \$18,000 per annum if he has important duties or responsibilities not imposed upon the other members of the board. There is not a word concerning this section in the committee hearings, nor is it discussed anywhere in the report. You are going to wake up some morning shortly after this bill is passed and find unknown numbers of these people increased to \$18,000 a year. Look at this chart. It shows that there are 1,819 boards, bureaus, and agencies running this Government. Each has a chairman.



but all may not be affected by this section.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I have only a minute and a half, but I yield to the chairman, of course.

Mr. MURRAY of Tennessee. The language states, "Not more than \$18,000."

Mr. SCRIVNER. Yes.

Mr. MURRAY of Tennessee. And it is also required that such chairmen be given additional important duties.

Mr. SCRIVNER. The gentleman knows these boards and commissions. Every one of them are going to give the chairman a little important work to do whatever "important work" may be; the gentleman knows, furthermore, that immediately that individual will be entitled to have his pay upped to \$18,000 a year.

The gentleman may say that this is not a pay increase. Maybe it is not in the opinion of the members of the committee, but to the taxpayers who will have to pay the bill it is a pay increase and you cannot get away from it. If the folks at home were here they would not vote for this bill. As their representative I will not support it. All it will do is freeze the present jobholders tighter in their chairs.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

(Mr. SCRIVNER asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. SCRIVNER) there were—ayes 93, noes 116.

Mr. SCRIVNER. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. SCRIVNER and Mr. MURRAY of Tennessee.

The Committee again divided; and the tellers reported there were—ayes 95, noes 115.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TACKETT:

Page 11, line 17, strike out the period, substitute a semicolon, and insert the following language: "and effective with the commencement of the Eighty-second session of Congress the compensation of Senators, Representatives in Congress, Delegates from the Territories, and the Resident Commissioner from Puerto Rico shall be at the rate of \$20,000 per annum each."

Strike out section 8 and insert the following:

"Sec. 8. Except as otherwise provided herein this act shall take effect on the first day of the first pay period which begins after the date of enactment of this act."

Mr. CASE of South Dakota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Mr. Chairman, I make the point of order

that the amendment is not germane in that this is a bill to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies. This amendment relates to the legislative branch of the Government and consequently is not germane to a bill applying to executive departments and independent agencies.

Mr. MONRONEY. Mr. Chairman, I make the further point of order that this is a bill reported by the Committee on Post Office and Civil Service which does not have jurisdiction over the salaries of Members of Congress.

The CHAIRMAN. Does the gentleman from Arkansas desire to be heard on the point of order?

Mr. TACKETT. Yes, Mr. Chairman. I seek to amend section 5 (c) which reads as follows:

The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

My amendment is germane to the very subject matter that I seek to amend. The legislative branch of Government is covered by this very bill, and I seek to amend that portion pertaining to the legislative branch of our Government. The Architect of the Capitol is also covered by this bill.

The CHAIRMAN. The Chair is ready to rule. This bill seeks to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies. Under the Constitution there are three distinct branches of government. The legislative branch cannot be classed as either an executive department or an independent agency. Therefore, the Chair sustains the point of order made by the gentleman from South Dakota.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 8, line 13, strike out "\$17,500" and insert "\$15,000"; and on page 11, line 17, strike out "\$12,000" and insert "\$10,000".

Mr. MURRAY of Tennessee. Mr. Chairman, I have no objection to the amendments. I think they are all right. The committee accepts them.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. HORAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORAN: On page 13, line 3, strike out all of section 8 and insert a new section as follows:

"Sec. 8. This act shall take effect July 1, 1950."

Mr. HORAN. Mr. Chairman, I think we have had a sample this afternoon of how the floodgates can be opened. We are setting a pattern that is going to be difficult for the responsible Representatives of the people of this Nation of ours to control. My amendment simply puts off until the beginning of the next fiscal year the date of enactment of what you are working on this afternoon. I think the people of America are looking for some results from the Hoover Commission's report, but this bill you are working on today will put fire into the bu-

reaucracy here and make it very, very difficult to reduce the cost of Government at a time when we are not on very safe ground.

Mr. MURRAY of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I appeal to the Members to stand by the committee and let this act take effect on the first day of the first pay period which begins after the date of enactment of this act. The amendment offered by the gentleman from Washington would defer the time of taking effect of this bill for a year, until July 1, 1950. I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. HORAN].

The question was taken; and on a division (demanded by Mr. HORAN) there were—ayes 94, noes 141.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, there are provisions in this bill which doubtless seem to every person here to be unjustified or inequitable. Certainly there are a good many that are not in accord with the way I would rate the relative importance of various positions. However, we cannot dispute that present salary rates are obsolete, and have been so for a long time. It seems to me the passage of this bill by the House even with its admitted inequities and defects and sending it to the other body where adjustments can be made should produce benefits to our governmental service that will far outweigh its relatively small cost.

Therefore, I intend to support the bill.

Take as an example, the Department of State, to illustrate the urgent necessity for revision of these salaries. Since World War II, the United States has assumed the leading role among the nations of the world. Other nations look to us for leadership in practically every field of endeavor. Notwithstanding this fact, however, our Secretary of State today receives the same salary as he did 23 years ago. Correspondingly, his principal assistants, namely, the Under Secretary and Assistant Secretaries, are still receiving salaries very little above what they received then. They are subject to the Civil Service Classification Act and, hence, are restricted to salary ranges applicable to the Government as a whole. In many instances, this brings about situations where salaries of Assistant Secretaries are no higher than those of their subordinates.

The fact that the present salary rates of top officials are obsolete is especially emphasized by the fact that legislation enacted in recent years creating newly established Government organizations provides higher salaries for the heads of those agencies than are received by the old departments and agencies. For example, both the Administrator and Deputy Administrator of the Economic Cooperation Administration are paid more than the Secretary of State. Ten individuals in the National Military Establishment, each of whom is doing important work, are authorized to receive a salary equivalent to that of the Secretary



of National Defense and substantially more than the Administrator of Veterans' Affairs. The salary scale for the Federal Government is completely disproportionate to the salaries paid by a number of State and municipal governments. In the State of New York, for example, the attorney general and State auditor receive \$20,000 annually. Similarly, in the field of municipal government the mayors of 12 cities of over 500,000 population receive between \$10,000 and \$25,000, annually, with a median salary of \$18,000. In New York City alone eight city officials, including the mayor, receive \$20,000 or more annually in salary. Six city managers of cities between 250,000 and 500,000 population receive salaries averaging \$19,000.

One constantly hears the criticism, and too often it is justified, that many Government officials are second-rate men, or even worse. That really is an argument for the bill, not against it. How many first-rate men can we expect to get unless we pay them something more adequate than the levels of 10 to 25 years ago?

The additional cost of this legislation, if enacted, would be only \$1,237,173 annually. I do not know where else in our expenditures so little relatively, can be expected to bring as much to our Government in value received.

(Mr. JUDD asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, about a year ago the Congress increased the salaries of all Government employees in the lower brackets by \$330 per year, about a dollar a day. Today, in this bill, it is proposed to increase the salaries of the folks in the higher brackets of from 25 percent to 100 percent. I feel very deeply that high salaries is not the thing that attracts able men to public service. The opportunity to serve one's country and serve the people well is the thing that makes public service attractive to able men and women. I believe sincerely that the passage of this bill is going to let us in for a great deal of pressure to increase the salaries of all other employees of the Federal Government, and perhaps rightly so. We are not going to find the country very happy over this salary increase for the top-bracket folks at a time when the income of the average taxpayer is shrinking and receipts of the Government declining each day.

As to the suggestion for an increase in salaries of Congressmen and Senators, I am unalterably opposed to this suggested amendment, as I was when the reorganization bill—Public Law 601, Seventy-ninth Congress—was adopted, although there are many good provisions in this law. We were unable to obtain a yeas-and-nays vote, but the RECORD shows that I stood up and was recognized by the Speaker and asked for the yeas and nays.

The bill we have today starts at the wrong place. It raises the higher salaries and in the end will cost the taxpayers a vast sum of money every year. I oppose the measure.

(Mr. LECOMPTE asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio: On page 10, line 1, after the word "Commission", strike out "members of the Board of Commissioners of the District of Columbia."

[Mr. HAYS of Ohio addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. HAYS].

The question was taken; and on a division (demanded by Mr. MURRAY of Tennessee) there were—ayes 132, noes 48.

So the amendment was agreed to.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. WALTER] rise?

Mr. WALTER. Mr. Chairman, I ask unanimous consent to amend line 14, on page 11, referring to the amendment that was just adopted, by striking out \$15,000 and inserting \$10,000, and to vacate the proceedings by which that amendment was adopted.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CASE of South Dakota. Reserving the right to object, Mr. Chairman, when the gentleman from Pennsylvania referred to the amendment adopted just a moment ago, was he referring to the amendment which struck out the members of the Board of the District of Columbia or the prior amendment offered by the gentleman from Pennsylvania?

Mr. WALTER. The line was not correctly stated in the amendment which I offered.

Mr. CASE of South Dakota. In other words, the gentleman is leaving the item for the legislative counsel as it appears in the bill and making the change in the Assistant Director for the Administrative Office of the United States Courts?

Mr. WALTER. The gentleman is correct.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I take this time to express what I think must be felt by a great many Members with respect to this bill. It looks like the bill will be passed. The reason we are doing what we are doing is because we want to keep or get the best public officials to deal with the problems of depression or prosperity, and peace or war. I hope we will cease to see so many of the items in the newspapers which we have been seeing, that a particular public servant feels he must resign in order to rehabilitate his personal fortune, or that another feels he cannot accept a Government position offered because he cannot afford it financially. I hope the President will

feel free to call, if necessary, the best men for these jobs, and that no American, in view of the great issues our Nation faces domestically and in the world, and under the new pay scale, will feel that he has a right to reject any such public job for which he is fitted when it is offered to him.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, in a few weeks we are going to be called upon to answer to our constituents as to what we have done about economy. After you have voted for this bill, by which you are raising the salary of the Assistant Federal Security Administrator from \$10,000 to \$17,500, you will have to explain what you have done about economy. He is the man who is trying to inflict socialized medicine upon this country. He has written a book about it. He is doing all he can to foist socialized medicine upon the American people. By raising his salary you are not only condoning his activities, you are endorsing them. If you favor that kind of economy, go back and explain it to your people. I certainly cannot.

You are shedding crocodile tears for these fifteen- and twenty-thousand-dollar-a-year men and at the same time doing nothing for the worker, who is presently covered by a minimum-wage bill which provides for only 40 cents an hour. Do you think \$16 a week is enough for a workingman? Do not you think it is high time some consideration be given to the man at the bottom of the economic scale? My minimum-wage bill will tie the pay of the worker to the cost-of-living index, so that he will have a constant steady income of the same value, no matter depressions or inflations.

Until something is done for the man at the bottom of the heap, I cannot conscientiously vote for the man at the top. I oppose this bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, at the proper time I shall offer a motion to recommit this bill to the Committee on Post Office and Civil Service. It contains the amendment that I offered earlier in the day and includes amendments that have been approved by this committee. It will also strike out the provision in the bill that authorizes the President at his own desire to raise the salaries of certain individuals up to \$18,000.

I make this explanation so that when the time comes I will not have to take extra time to explain it any further. I still think the salaries in this bill are inequitable and are too high.

In line with what the distinguished gentleman from Texas [Mr. LUCAS] just said, I believe you are going to find it a little difficult to explain to the people back home if you permit the approval of the bill reported by the committee.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The Chair recognizes the gentleman from Arkansas [Mr. TACKETT].



Mr. TACKETT. Mr. Chairman and Members of the Committee of the Whole House on the State of the Union, you well know that my record to date during my short tenure as a Member of this House has been very conservative—in fact, the more liberal Members would consider my record as that of a reactionary; and I will admit that I have been and shall continue to be very conservative wherein the principles of democracy are involved.

I came here with the intention of representing the masses and not to speak as a "pollyparrot" of any power contrary to what I honestly believe to be the wishes of those who have entrusted me with the duties and responsibilities of this office.

Speaking in rather general terms concerning the economy of this democracy, I have felt that the founding fathers formulated our system of democracy upon the theory that supply and demand, with free enterprise, individual initiative and open competition being afforded within the ranks of capital, business, labor, and all the other Government and individual essentials would govern our economy.

Even though the aforementioned theory exemplifies a pure democratic economy, trial and experience found us facing an unbalanced economy with most of the wealth of this country drifting into the hands of a few. Antitrust and anti-monopoly laws, along with other business restrictions, were enacted to assure competition, aid supply and demand to produce a more equitable return upon investments, and to assure a more equal distribution of this country's wealth.

Likewise, it has been necessary to impose and maintain restrictions upon labor for the purpose of affording a balanced relationship between the employer and the employee, and in order to stabilize individual initiative, free enterprise, and open competition within the ranks of labor so as to afford supply and demand an opportunity to regulate the over-all economy.

If democracy is to prevail, I firmly believe that free competition must remain intact and allowed to operate with capital and the investor who supply the commodity as well as with the employee who performs the labor, with the assistance of capital, to bring the commodity and investment into existence. Supply and demand, with individual initiative, free enterprise, and open competition being afforded, should therefore regulate our economy wherein capitalistic trusts are suppressed, and labor controlled to the extent of allowing fair relations to exist between the affected parties. Then, we must allow for necessary restrictions that will tend to bring about a wider distribution of the country's wealth.

Only restrictions for the purpose of producing a balanced economy are necessary, and we can well see that to curtail the efforts of business and individuals with restrictions and controls that remove the individual incentive to progress will eventually lead to the regimentation of our people to such an extent that we will no longer have any reason to advance our persons or businesses. Sooner or later unless Government con-

trol is brought to a minimum, every business will be told by the Government how to operate, what prices to charge for commodities, and the manner in which the business shall be conducted. The fees of professional men and women, the specialists, and the laborers, will, under such circumstances, be eventually set by the Government, and the ability of an individual to perform services will be of little consequence. I have felt that to vote for restrictions and controls unnecessary to the balancing of our economy is no less than to vote a socialistic ticket that tends to remove the fundamental prerequisites of a democracy. I have in the past and I shall continue to oppose legislation wherein the Government is allowed to compete with private enterprise, except in cases where private enterprise cannot or has not performed the requirements.

My maiden speech on the floor of this House a few days after I took my oath of office was in favor of the reorganization and coordination of the existing Federal agencies and departments, at a saving to the taxpayers rather than to bring into existence new agencies and expand those now in existence. It is difficult to understand how we shall ever expect to become solvent if we are to continue the practice of employing an average of 271 new people every day the sun rises, and if we are to continue establishing new agencies and expanding those in existence every time the Congress meets. I feel that every department and agency should have ample personnel to administer the affairs involved as per the demands of the people, minus Federal administration of affairs that should be administered by the States. I have followed the economy move in this Congress, believing that this Government could be operated with the same full force and effect on behalf of the people with much less money; but, gentlemen, we all know that it is false economy to pay a person less for their services than that to which they are entitled. One never gets any more than what he pays for.

It is generally believed by the public that the public officials actually receive more money for their services than is authorized by law. It would be difficult to convince any reasonable person that a Member of the President's Cabinet actually received in the past only \$15,000 per year. No man or woman can imagine a Member of this Congress surviving the expenditures imposed upon him or her with the salary authorized by law; and it cannot be done if the respective Member actually renders the service to which his constituents are entitled. A \$20,000 salary to a Member of Congress would amount to no more than seven or eight thousand dollars to a Member in his home community. Actually he could stay at home on \$5,000 as easily as serving in Congress for \$20,000.

Every Member of Congress is required to have two homes—one in Washington and one within his district. His home expenses are practically as high while he is in Washington as while he is at home. It is necessary to expend more money in the performance of his duties than he is paid by the Government.

Unless a Member of Congress has an outside income from a business, profession, or some other source, he cannot properly serve his people with the salary now authorized by law, unless he comes here a rich man.

Why, gentlemen, a Member is required to run for office every 2 years, and the general public well knows that it is necessary to expend in each election at least the amount of his first year's salary. A poor man cannot even venture to run for such public office without the financial assistance of his close friends and those expecting favors. I cannot imagine that the membership of this Congress is to be made up of the rich in this great democracy of competition, which can well lead to a capitalistic government detrimental to the middle and lower classes of our country. For the membership of Congress to receive an adequate salary will be most beneficial to the poor and middle classes of this United States of America.

Seniority plays a big role in the operation of Congress. In fact, a freshman Member such as myself has little to do with the legislative machinery and actually participates only to the extent of a single vote. Other than a rich Member of Congress must look to the future general welfare of his family and cannot afford to sacrifice the required years in Congress upon the salary now being paid to gain a position with enough seniority to be as helpful to his people as he would like.

The Hoover Commission has foreseen the need for adequate salaries to public officials as a guard against the destruction of democracy, as a guard against a capitalistic form of government, and as an assurance of honest administration on behalf of all the people.

The CHAIRMAN. The gentleman from California [Mr. MILLER] is recognized.

Mr. MILLER of California. Mr. Chairman, I wish to read into the RECORD an excerpt from a statement made by Mr. Beardsley Ruml in support of the principles of this bill:

If we are to have efficiency in public expenditure, two measures are obviously necessary. First, the President must have an increased scope of authority in the organization and reorganization of the agencies in the executive branch of the Government. And second, a higher level of compensation, as has been recommended, should be established for top Government officials in order to hold in the Federal service and to attract to the Federal service the talent that is necessary for efficient managerial operation of the essential services of the executive branch of the Federal Government.

I wish also to read into the RECORD the following telegram in support of the bill from Eric Johnston, president of the Motion Picture Association of America, Inc.:

WASHINGTON, D. C., February 8, 1949.  
Hon. GEORGE P. MILLER,  
House Committee on  
Post Office and Civil Service,  
House of Representatives:

As a businessman I am happy to endorse House bill 1689 authorizing increase pay for heads of executive departments and independent agencies. Efficient administration of public business demands today payment of adequate compensation to policy directing



heads in the executive branch of the Government. This will serve to attract to Government service the highest type of qualified person and insure the retention of the experienced and able public servant.

ERIC JOHNSTON,  
President, Motion Picture  
Association of America, Inc.

In conclusion I wish to leave with you the thought that when such men as Beardsley Ruml and Eric Johnston support legislation of this kind they do not do so lightly.

This bill has merit and is the first step in the reestablishing in the Government service the balance between the several levels of activity so essential to good management and high efficiency.

The CHAIRMAN. The time of the gentleman from California has expired; all time has expired.

Mr. MURRAY of Tennessee. Mr. Chairman, I ask unanimous consent for the consideration of a clarifying amendment and permission to make a very brief statement explaining the reason for it.

The gentleman from Florida introduced an amendment changing the salary of the Director of the Federal Bureau of Investigation from \$15,000 to \$17,500. The item appears again at page 10, line 19, "Director, Federal Bureau of Investigation." I would like to strike that out since the salary of the Director of the Federal Bureau of Investigation has already been increased to \$17,500 by the adoption of the amendment of the gentleman from Florida [Mr. ROGERS].

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY of Tennessee: Page 10, line 19, strike out "Director, Federal Bureau of Investigation."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

The CHAIRMAN. The question recurs on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, pursuant to House Resolution 274, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. REES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. REES. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. REES moves to recommit the bill to the Committee on Post Office and Civil Service with Instructions to report it back forthwith with the following amendment: Strike out all after the enacting clause and insert the following:

"That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$25,000 per annum.

"SEC. 2. (a) The rate of basic compensation of the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, each Under Secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, the Director of the Federal Bureau of Investigation, Director of Central Intelligence, and the First Assistant Postmaster General shall be \$17,500 per annum.

"(b) Section 105 of title 3 of the United States Code is amended to read as follows:

"COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"SEC. 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$16,000 per annum, three at rates not exceeding \$15,000 per annum, and seven at rates not exceeding \$12,000 per annum."

"(c) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: 'The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title.'

"SEC. 3. The rate of basic compensation of the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Assistant Comptroller General of the United States, the Administrator of General Services, the Assistant Director of the Bureau of the Budget, and the Deputy Administrator of Veterans' Affairs, the Public Printer, the Librarian of Congress, the Administrator of Civil Aeronautics, Manager of the Federal Crop Insurance Corporation, the Commissioner of Narcotics, the Federal Mediation and Conciliation Director, and the Assistant Federal Security Administrator shall be \$15,000 per annum.

"SEC. 4. (a) The rate of basic compensation of the Director of Aeronautical Research of the National Advisory Committee for Aeronautics; members of the Civil Aeronautics Board; members of the Federal Communication Commission; members of the Federal Power Commission; members of the Federal Trade Commission; members of the Interstate Commerce Commission; members of the National Labor Relations Board; members of the National Mediation Board; members of the Railroad Retirement Board; members of the Securities and Exchange Commission; members of the Board of Directors of

the Tennessee Valley Authority; members of the Civil Service Commission; the Chairman of the United States Maritime Commission; members of the United States Tariff Commission; the General Counsel of the National Labor Relations Board; the Architect of the Capitol; the Deputy Administrator of General Services; the Housing Expediter; the Director of the Bureau of Federal Supply; the Archivist of the United States; members of the Displaced Persons Commission; members of the Indian Claims Commission; members of the War Claims Commission; members of the Philippine War Damage Commission; each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury); each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington; members (other than the Chairman) of the United States Maritime Commission; Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; the three Special Assistants to the Secretary of Defense; and of the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal shall be at the rate of \$12,500 per annum. Notwithstanding section 30 of the act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), the salary of the Legal Adviser of the Department of State shall continue to be at the rate of \$10,330 per annum.

"(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$12,500 a year."

"(c) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: 'The Assistant Director shall receive a salary of \$11,000 a year.'

"(d) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

"SEC. 5. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this act."

Mr. McCORMACK. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. REES. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. REES. Mr. Speaker, I ask for a division on the motion to recommit.

The House divided; and there were—  
ayes 71, noes 165.



So the motion to recommit was rejected.

The **SPEAKER**. The question is on the passage of the bill.

Mr. H. CARL ANDERSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the bill just passed at this point in the **RECORD**.

The **SPEAKER**. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

#### FEDERAL PAY STRUCTURE—RELIC OF THE PAST

Mr. HAYS of Arkansas. Mr. Speaker, in the past quarter century, the map of the world has been redrawn. World War II has been fought and won. Atomic energy has been released. The United Nations Organization has come into being. The hope of the world for peace and prosperity has become centered in the Government and the people of the United States of America. This kind of responsibility in the modern age in which we live calls for the most capable men our Nation can produce. And how shall we go about getting men of that caliber? By offering them salaries on a pay scale established by Congress as far back as 28 years ago? This is what we actually offer to men expected to be leaders not only in the United States but the world.

Members of the Cabinet, for example, received \$15,000 per annum in 1925. They are paid precisely the same today. The Director of the Bureau of the Budget receives \$10,000 today. That is the identical salary that was fixed for the position June 10, 1921—and which recently caused a Director of the Budget, with long and valuable experience, to resign in the interests of his family.

Nothing in the Federal Government is quite so out-dated as the pay scales of many of its top officials.

Because Government salaries for top executives are completely out of balance with industrial scales, Government agencies are constantly losing valuable personnel. Moreover, it is extremely difficult to find competent replacements for these positions.

It is difficult to understand why a man who is worth \$50,000 to private industry is considered to be worth only \$10,000 or \$15,000 to the great institution that is the Government of the United States. Industries with far fewer assets than some Government corporations—industries whose functions for national health, peace, and prosperity hardly merit mention in the same breath as these Government corporations—nevertheless, pay their officials holding comparable positions anywhere from half again to 10 times as much as Government is authorized to offer.

Industry, wisely and rightly, has adjusted salaries to meet changing conditions, increasing responsibilities, or the rising cost of living. Such procedure makes for efficiency. It holds experienced personnel.

Government pay policy in the upper brackets has been precisely the opposite. In many agencies, the top official now receives the same salary as the next three or four officials under him. In some cases, the top man actually receives a few hundred dollars less than his principal assistant. It would be almost miraculous if this situation did not undermine efficiency, break down confidence, and cause a much more than normal turn-over of top personnel.

This is a most serious problem. The men who execute the policies of our Government bear the weightiest responsibility of any citizens of the United States. Upon their competent execution of their duties depends not only the efficiency of Government, but possibly even the peace and prosperity of the world. We dare not be satisfied with anything less than top-flight personnel.

The enactment of this bill might not bring to Government the best personnel in the land, but it would surely remove one of the principal reasons why service in the Government has become less attractive.

There is no dearth of patriotic citizens in the United States. But can we blame a citizen who does not feel called upon to sacrifice permanently the interests of his family upon the altar of a Government job? Can we blame a worker for throwing in the sponge when he sees his associates and sometimes his assistants accepting better paying jobs in private business?

Can we blame even the long-time career man when he takes a second look around—because he sees every now and then some faithful, patriotic servant of the people cracking up under the fearful strain that these postwar days put upon all conscientious Government officials?

We must have competent people in Government. To get them we must endeavor to make our salary structure fit the needs of the times. True, Government cannot expect to match the pay scales of industry. But this is not necessary. All that most Government officials ask is a salary which will place them in the same position relative to their assistants and relative to the cost of living that they occupied in the days before the war.

The executive pay bill would assure them of that kind of position. It would restore confidence in the fairness of Government to its own servants. It offers the type of recognition that will bring forth the best in Government efficiency.

Mr. KARST. Mr. Speaker, supposedly, we are considering a bill to increase the salaries of certain key executives and administrators of Federal departments and agencies. In reality we are debating the question, how great a financial sacrifice can we ask from men of top-flight ability because they are Government servants?

This bill does not pretend to pay salaries that match or even approach the rewards that private concerns offer men with similar talents and carrying equal responsibilities. Judged by any such standard it is common knowledge that Government salaries are pitifully inadequate.

It is common knowledge that all too often years of training and experience in Government serve only as a proving ground for well-paid jobs in private industry. And this trend is increasing at the very time when Government has need of every top-flight person it can muster.

Look at the duties and responsibilities these Government officials must meet. In terms of money spent, in terms of national policy and national welfare, their task is staggering. How much can we ask them to sacrifice in the public service? At best we can only limit the financial loss they inevitably take.

But there is a much more serious aspect to this problem than next year's budget or the pay of certain Government officials. It concerns the longer future and the type of executives and administrators who will be available for Government service in the years ahead. We are not legislating solely or primarily for the next fiscal year.

We must consider how Government service will look to the really able members of the rising generation. We can invite them to consider such a career or we can cold-shoulder them with salary scales that are pitifully inadequate. If we make the sacrifice look too great, we will lose most of the really able people that we want and need in Government. We will lose them because they will not even consider a career in Government, much less point toward it. Moreover, we will have great difficulty in recruiting mature, able men from private life.

Who will pay for that loss of talent, vision, and ability? Your constituents and mine—if we have the good fortune to remain in Congress. All of us will foot the bill if we so underpay our Government officials that we screen out the very ones who could serve us most efficiently and economically.

Mr. BRYSON. Mr. Speaker, it is to be regretted that we are considering H. R. 1689 at this time.

Since many of our people are insisting upon the adoption of considerable portions of the Hoover Commission report, surely it is untimely to add to Government expenditures rather than to reduce them.

Assuming that there are inequities in the pay of heads of Government departments and agencies, we cannot afford to increase salaries and wages of said Government officials in the face of a known growing deficit.

The latest report reaching Congress reveals the fact that we are operating now with a deficit of some \$2,000,000,000. It appears that this deficit will increase. With this acknowledged fact before us, we must reduce Government expenditures, raise taxes, or operate with a deficit. We cannot in justice to the taxpayer increase taxes with incomes on the decline. We should not operate with a deficit. The logical thing to do is to reduce Government cost.

One hears little talk of economy in Congress. We have grown too accustomed to increasing expenditures. The clamor of the taxpayers for relief is seldom heard, if ever.

It is a great honor to serve our Government in any capacity. Most every-



one in public office must of necessity serve at a financial sacrifice. One capable of successfully filling a public office could easily earn more money in private industry. The real compensation accruing to a public official is intangible. The satisfaction of knowing that one has had the privilege of serving his country is, and should be, adequate pay.

In my judgment, unless there is a change in the attitude of those now in charge of our Government toward public expenditures the people will ultimately rebel against extravagance.

On a recent trip to my district I was greatly impressed by the attitude of everyone toward economy.

Let us send this measure back to committee for additional study with the hope that by the time it comes up for further consideration our domestic affairs will have been improved.

When the idea of increasing salaries, such as is provided for in this measure, was first presented to the Congress some 6 months ago, the financial horizon was much brighter than now. Let us hope that in the not distant future our economical affairs will improve.

This is no time to add additional and unnecessary burdens to our already overburdened taxpayers.

I regret to find myself in disagreement with those who are sponsoring this legislation, but have no hesitancy in voting against its passage.

#### ~~FURTHER MESSAGE FROM THE SENATE~~

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1070) entitled "An act to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes."

#### EXTENSION OF REMARKS

Mr. TACKETT asked and was given permission to revise and extend the remarks he made in Committee of the Whole today and include extraneous matter.

Mr. HART asked and was given permission to extend his remarks in the RECORD and include an article appearing in the CIO News.

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the New Jersey Record.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include certain extracts.

Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include a speech.

#### SPECIAL ORDER GRANTED

Mr. PHILLIPS of California asked and was given permission to address the House for 40 minutes on Friday, July 22, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

#### ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### SIGNING OF ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

- S. 113. An act for the relief of Helen Louise Oles;
- S. 230. An act for the relief of Mrs. Sonia Kaye Johnston;
- S. 322. An act for the relief of Mrs. Gertrude H. Westaway, legal guardian of Bobby Niles, a minor;
- S. 623. An act for the relief of George Krinopolis;
- S. 980. An act for the relief of Toshie Okutomi;
- S. 1138. An act for the relief of John W. Crumpacker, commander, United States Navy;
- S. 1167. An act for the relief of the estate of Marion Miller;
- S. 1168. An act to amend section 2680 of title 28, United States Code;
- S. 1296. An act for the relief of Murphy and Wischmeyer;
- S. 1359. An act to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable; and
- S. 1688. An act to provide for certain adjustments on the promotion list of the Medical Service Corps of the Regular Army.

#### BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

- H. R. 20. An act to amend the act of August 1, 1947, as amended, to authorize the creation of 10 professional and scientific positions in the headquarters and research stations of the National Advisory Committee for Aeronautics;

H. R. 52. An act for the relief of Nevada County, Calif.;

H. R. 596. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of John E. Parker, his heirs, administrators, or assigns, against the United States;

H. R. 682. An act for the relief of the legal guardian of Elliott Hewitt;

H. R. 703. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Mrs. Oteen Foxworth;

H. R. 709. An act for the relief of the General Engineering & Dry Dock Corp.;

H. R. 1009. An act for the relief of the Central Bank, a California corporation as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.;

H. R. 1042. An act for the relief of Hoy C. Wong;

H. R. 1116. An act for the relief of Mexican Fibre & Twine Co., Inc.;

H. R. 1131. An act for the relief of James Fred Girdley and Percy Bridgewater;

H. R. 1173. An act for the relief of Florence Bryant Peters and E. B. Peters;

H. R. 1297. An act for the relief of Alvin G. Patton;

H. R. 1470. An act for the relief of the estate of James F. Delahanty, deceased;

H. R. 1496. An act for the relief of Mrs. Thelma Lee Rynaard;

H. R. 1676. An act for the relief of Thomas M. Bates;

H. R. 2349. An act for the relief of Col. Wlodzimierz Onacewicz;

H. R. 2785. An act to provide for further contributions to the International Children's Emergency Fund;

H. R. 2848. An act for the relief of Leon Nikolaivich Volkov;

H. R. 3017. An act for the relief of Ramon G. Hunter and Arthur Nancett;

H. R. 3077. An act for the relief of Mrs. Rebecca Levy;

H. R. 3151. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bacitracin, or any derivative thereof;

H. R. 3313. An act for the relief of the estate of the late Manuel Graulau Velez;

H. R. 3320. An act for the relief of Ignacio Colon Cruz;

H. R. 3321. An act for the relief of Gloria Esther Diaz, Lydia Velez, and Gladys Prieto;

H. R. 3323. An act for the relief of the estate of Rafael Rebollo;

H. R. 3680. An act to authorize the Secretary of Agriculture to quitclaim 5 $\frac{1}{10}$  acres of land in Washington County, Miss., to the Mississippi State College;

H. R. 3717. An act to repeal the act of July 24, 1946, relating to the Swan Island Animal Quarantine Station;

H. R. 3720. An act for the relief of Erwin F. Earl;

H. R. 3812. An act for the relief of Myrtle Ruth Osborne, Marlon Walts, and Jessie A. Walts;

H. R. 4252. An act to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service;

H. R. 4373. An act for the relief of Ray G. Schneyer and Dorothy J. Schneyer;

H. R. 4559. An act for the relief of Louis Brown;

H. R. 4807. An act for the relief of Robert A. Atlas; and

H. J. Res. 228. Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week.



## ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 28 minutes p. m.) the House, under its previous order, adjourned until Monday, July 11, 1949, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

744. A letter from the Secretary of Defense transmitting a letter by the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled "To authorize the allowance of leave credit to officers of the Army, Navy, Air Force, Marine Corps, Coast Guard, and the Reserve components thereof, who were denied such credit as the result of certain changes in their status between September 8, 1939, and August 9, 1946"; to the Committee on Armed Services.

745. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill entitled "To amend the District of Columbia Teachers' Salary Act of 1947"; to the Committee on the District of Columbia.

746. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "To increase the number of examiners in chief in the Patent Office, and for other purposes"; to the Committee on the Judiciary.

747. A letter from the Postmaster General, transmitting a report of claims paid by the Post Office Department under the provisions of the Federal Tort Claims Act during the fiscal year 1948-49; to the Committee on the Judiciary.

748. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to amend the act of August 8, 1946, relating to the payment of annual leave to certain officers and employees"; to the Committee on Post Office and Civil Service.

749. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTINGTON: Committee on Public Works. H. R. 3071. A bill to authorize the Secretary of the Army to purchase certain property in Morgan County, with an amendment (Rept. No. 1000). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTINGTON: Committee on Public Works. H. R. 3197. A bill relating to the sale of the old Louisville Marine Hospital, Jefferson County, Ky., with an amendment (Rept. No. 1001). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 2392. A bill to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes; with an amendment (Rept. No. 1003). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high intensity lighting on CAA designated instrument landing runways; without amendment (Rept. No. 1004). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Florida: Committee on Interstate and Foreign Commerce. S. 1279. An act to amend the Federal Airport Act so as to provide that minimum rates of wages need be specified only in contracts in excess of \$2,000; without amendment (Rept. No. 1005). Referred to the Committee of the Whole House on the State of the Union.

Mr. SULLIVAN: Committee on Interstate and Foreign Commerce. S. 1280. An act to amend the Federal Airport Act so as to limit to 10 percent any increase of the amount stated as a maximum obligation under a grant agreement; without amendment (Rept. No. 1006). Referred to the Committee of the Whole House on the State of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTINGTON: Committee on Public Works. H. R. 5356. A bill to provide for the conveyance of land to the Norfolk County Trust Co. in Stoughton, Mass., with an amendment (Rept. No. 1002). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:  
H. R. 5549. A bill relating to the exemption from payment of income tax of certain compensation payable to Federal employees stationed in the Territories and possessions of the United States; to the Committee on Ways and Means.

By Mr. COLMER:  
H. R. 5550. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes", as amended, to permit the sale of war housing to State and local housing agencies; to the Committee on Banking and Currency.

By Mr. FARRINGTON:  
H. R. 5551. A bill to authorize the President of the United States, under certain conditions, to appoint boards of inquiry with power to make binding recommendations with respect to labor disputes in trade between the continental United States and the Territory of Hawaii, and for other purposes; to the Committee on Education and Labor.

By Mr. LANE:  
H. R. 5552. A bill to amend the act of August 8, 1946, relating to the payment of annual leave to certain officers and employees; to the Committee on Post Office and Civil Service.

By Mr. LODGE:  
H. R. 5553. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SADOWSKI:  
H. R. 5554. A bill to require the United States Civil Service Commission to establish a regional office for the State of Michigan at Detroit, Mich.; to the Committee on Post Office and Civil Service.

By Mr. WOOD:

H. R. 5555. A bill to repeal the act of March 31, 1949, suspending certain import taxes on copper; to the Committee on Ways and Means.

By Mr. MORRIS:

H. R. 5556. A bill to make available for Indian use certain surplus property at the Wingate Ordnance Depot, N. Mex.; to the Committee on Public Lands.

By Mr. GATHINGS:

H. R. 5557. A bill to provide for coordination of arrangements for the employment of agricultural workers admitted for temporary agricultural employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages and for other purposes; to the Committee on Agriculture.

By Mr. HOFFMAN of Michigan:

H. R. 5558. A bill declaring a portion of the Paw Paw River, in the city of Benton Harbor, in the city of St. Joseph and Benton Township, county of Berrien, State of Michigan, to be nonnavigable; to the Committee on Interstate and Foreign Commerce.

By Mr. BATTLE:

H. R. 5559. A bill to amend the Federal Trade Commission Act with respect to the advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS:

H. R. 5560. A bill to terminate the war-tax rates on certain miscellaneous excise taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. CROSSER:

H. R. 5561. A bill to create an independent Air Safety Board; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIES of New York:

H. R. 5562. A bill to amend the Agricultural Act of 1948 and the Agricultural Adjustment Act of 1938, as amended, to provide price support for Angora-rabbit wool; to the Committee on Agriculture.

By Mr. PRICE:

H. R. 5563. A bill to amend Public Law 49, Seventy-seventh Congress, for the purpose of preventing loss of life, impairment of health, and endangerment to the safety of coal mine employees; to the Committee on Education and Labor.

By Mr. CELLER:

H. J. Res. 295. Joint resolution to erect a memorial to the memory of Mohandas K. Gandhi; to the Committee on House Administration.

By Mr. LODGE:

H. Con. Res. 101. Concurrent resolution relating to refund of premiums on national service life insurance policies; to the Committee on Veterans' Affairs.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California memorializing the President and Congress of the United States relative to the construction of navigable channels on the Sacramento and Feather Rivers; to the Committee on Public Works.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLLING:

H. R. 5564. A bill for the relief of Wilcox Electric Co., Inc.; to the Committee on the Judiciary.









Calendar No. 641

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JUNE 2), 1949

Read twice and ordered to be placed on the calendar

---

## AN ACT

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the rate of basic compensation of the head of each  
4       executive department and of the Secretary of Defense shall  
5       be \$25,000 per annum.

6       SEC. 2. (a) The rate of basic compensation of the  
7       Administrator for Economic Cooperation, the Comptroller  
8       General of the United States, the Chairman of the Council  
9       of Economic Advisers, the Director of the Bureau of the  
10      Budget, the Chairman of the National Security Resources  
11      Board, the Federal Security Administrator, the Adminis-

1   trator of Veterans' Affairs, the Administrator of General  
2   Services, each Under Secretary of an executive department,  
3   the Assistant to the Attorney General, the Solicitor General  
4   of the United States, and the First Assistant Postmaster  
5   General shall be \$20,000 per annum.

6       (b) Section 105 of title 3 of the United States Code is  
7   amended to read as follows:

8   "COMPENSATION OF SECRETARIES AND EXECUTIVE, AD-  
9   MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

10       "§ 105. The President is authorized to fix the com-  
11   pensation of the six administrative assistants authorized to  
12   be appointed under section 106 of this title, of the Executive  
13   Secretary of the National Security Council, and of five other  
14   secretaries or other immediate staff assistants in the White  
15   House Office as follows: Two at rates not exceeding \$20,000  
16   per annum, three at rates not exceeding \$18,000 per annum,  
17   and seven at rates not exceeding \$16,000 per annum."

18       (c) The first sentence of section 106 of title 3 of the  
19   United States Code is amended to read as follows: "The  
20   President is authorized to appoint not to exceed six admin-  
21   istrative assistants and to fix their compensation in accordance  
22   with section 105 of this title."

23       SEC. 3. (a) The rate of basic compensation of the  
24   Housing and Home Finance Administrator, the Chairman  
25   of the Atomic Energy Commission, the Chairman of the



1 Munitions Board, the Chairman of the Research and De-  
2 velopment Board, the Deputy Administrator for Economic  
3 Cooperation, the Assistant Comptroller General of the  
4 United States, the Assistant Director of the Bureau of the  
5 Budget, and the Deputy Administrator of Veterans' Affairs  
6 shall be \$18,000 per annum.

7 (b) The first sentence of section 603 of title 28 of the  
8 United States Code (relating to the salary of the Director  
9 of the Administrative Office of the United States Courts)  
10 is amended to read as follows:

11 "The Director shall receive a salary of \$15,000 a year."

12 (c) The rate of basic compensation of the Public Printer,  
13 the Librarian of Congress, the members (other than the  
14 Chairman) of the Council of Economic Advisers, the Direc-  
15 tor of Central Intelligence, the Federal Mediation and Con-  
16 ciliation Director, the Assistant Federal Security Adminis-  
17 trator, and Director, Federal Bureau of Investigation, shall  
18 be \$17,500 per annum.

19 SEC. 4. The rate of basic compensation of the members  
20 of the Board of Governors of the Federal Reserve System;  
21 the Director of Aeronautical Research of the National Ad-  
22 visory Committee for Aeronautics; members of the Civil  
23 Aeronautics Board; the Chairman of the Board of Directors  
24 of the Export-Import Bank of Washington; members of the  
25 Federal Communications Commission; members of the Board

1 of Directors of the Federal Deposit Insurance Corporation  
2 (including the Comptroller of the Currency) ; members of  
3 the Federal Power Commission; members of the Federal  
4 Trade Commission; members of the Interstate Commerce  
5 Commission; members of the National Labor Relations  
6 Board; members of the National Mediation Board; members  
7 of the Railroad Retirement Board; the Chairman of the  
8 Board of Directors of the Reconstruction Finance Corpora-  
9 tion; members of the Securities and Exchange Commission;  
10 members of the Board of Directors of the Tennessee Valley  
11 Authority; members of the Civil Service Commission; the  
12 Chairman of the United States Maritime Commission;  
13 members of the United States Tariff Commission; members  
14 (other than the Chairman) of the Atomic Energy Com-  
15 mission; the General Counsel of the National Labor Rela-  
16 tions Board; the Architect of the Capitol; and the Deputy  
17 Administrator of General Services shall be at the rate of  
18 \$16,000 per annum.

19 SEC. 5. (a) The rate of basic compensation of the  
20 Housing Expediter; the Director of the Bureau of Federal  
21 Supply; the Director of Selective Service; the Archivist of  
22 the United States; the Assistant Architect of the Capitol;  
23 members of the Displaced Persons Commission; members  
24 of the Indian Claims Commission; members of the War  
25 Claims Commission; members of the Philippine War Dam-



1 age Commission; each Assistant Secretary of an executive  
2 department (including the Fiscal Assistant Secretary of the  
3 Treasury) ; each Assistant Attorney General; the Assistant  
4 Solicitor General of the United States; the Counselor of  
5 the Department of State; the Second, Third, and Fourth  
6 Assistant Postmasters General; the Associate Federal Medi-  
7 ation and Conciliation Director; the Deputy Director of  
8 Central Intelligence; the Philippine Alien Property Ad-  
9 ministrator; the Chief Assistant Librarian of Congress; the  
10 Deputy Public Printer; members (other than the Chairman)  
11 of the Board of Directors of the Export-Import Bank of  
12 Washington; members (other than the Chairman) of the  
13 Board of Directors of the Reconstruction Finance Corpora-  
14 tion; members (other than the Chairman) of the United  
15 States Maritime Commission; Administrator, Production and  
16 Marketing Administration; Commissioner of Internal Reve-  
17 nue; Director of the Bureau of Prisons; Commissioner of  
18 Public Roads; Commissioner of Public Buildings, Commis-  
19 sioner of Community Facilities; Commissioner of Immigra-  
20 tion and Naturalization; Administrator of Civil Aeronautics;  
21 Administrator, Rural Electrification Administration; Com-  
22 missioner for Social Security; Commissioner of Reclamation;  
23 Chief, Soil Conservation Service; Commissioner of Customs;  
24 Commissioner of Narcotics; Governor of the Farm Credit  
25 Administration; Chief Forester of the Forest Service; Ad-

1    administrator of the Farmers Home Administration; Manager  
2    of the Federal Crop Insurance Corporation; the three  
3    Special Assistants to the Secretary of Defense; and of the  
4    Governors of Alaska, Hawaii, the Virgin Islands, and the  
5    Panama Canal shall be at the rate of \$15,000 per annum.  
6    Notwithstanding section 30 of the Act of May 24, 1924,  
7    as amended (U. S. C., title 5, sec. 152a), the salary of  
8    the Legal Adviser of the Department of State shall continue  
9    to be at the rate of \$10,330 per annum.

10        (b) The second sentence of section 603 of title 28 of  
11    the United States Code (relating to the compensation of the  
12    Assistant Director of the Administrative Office of the United  
13    States Courts) is amended to read as follows: "The Assistant  
14    Director shall receive a salary of \$10,000 a year."

15        (c) The rate of compensation of the Legislative Counsel  
16    of the House of Representatives and of the Legislative  
17    Counsel of the Senate shall be \$12,000 per annum.

18        SEC. 6. In any case in which the chairman or other head  
19    of a board or commission and the other members of such  
20    board or commission receive the same rate of basic compen-  
21    sation under this Act, and such chairman or other head has  
22    important duties or responsibilities not imposed upon other  
23    members of such board or commission, the President is  
24    authorized in his discretion to fix the compensation of such  
25    chairman or other head at the rate of \$18,000 per annum.



1        SEC. 7. The applicable appropriation for the fiscal year  
2        ending June 30, 1950, shall be available for payment of com-  
3        pensation at the rate established for any position by or  
4        pursuant to this Act unless it is specifically provided that  
5        such appropriation shall not be available for such purpose.

6        SEC. 8. This Act shall take effect on the first day of the  
7        first pay period which begins after the date of enactment of  
8        this Act.

Passed the House of Representatives July 8, 1949.

Attest:

RALPH R. ROBERTS,

*Clerk.*

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 1689**

---

**AN ACT**

---

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

JULY 11 (legislative day, JUNE 2), 1949

Read twice and ordered to be placed on the calendar









81st CONGRESS  
1st Session

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JUNE 2), 1949

Read twice and ordered to be placed on the calendar

JULY 14 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil Service

---

## AN ACT

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That the rate of basic compensation of the head of each  
4        executive department and of the Secretary of Defense shall  
5        be \$25,000 per annum.

6        SEC. 2. (a) The rate of basic compensation of the  
7        Administrator for Economic Cooperation, the Comptroller  
8        General of the United States, the Chairman of the Council  
9        of Economic Advisers, the Director of the Bureau of the  
10       Budget, the Chairman of the National Security Resources  
11       Board, the Federal Security Administrator, the Adminis-

1 trator of Veterans' Affairs, the Administrator of General  
2 Services, each Under Secretary of an executive department,  
3 the Assistant to the Attorney General, the Solicitor General  
4 of the United States, and the First Assistant Postmaster  
5 General shall be \$20,000 per annum.

6 (b) Section 105 of title 3 of the United States Code is  
7 amended to read as follows:

8 "COMPENSATION OF SECRETARIES AND EXECUTIVE, AD-  
9 MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

10 "§ 105. The President is authorized to fix the com-  
11 pensation of the six administrative assistants authorized to  
12 be appointed under section 106 of this title, of the Executive  
13 Secretary of the National Security Council, and of five other  
14 secretaries or other immediate staff assistants in the White  
15 House Office as follows: Two at rates not exceeding \$20,000  
16 per annum, three at rates not exceeding \$18,000 per annum,  
17 and seven at rates not exceeding \$16,000 per annum."

18 (c) The first sentence of section 106 of title 3 of the  
19 United States Code is amended to read as follows: "The  
20 President is authorized to appoint not to exceed six admin-  
21 istrative assistants and to fix their compensation in accordance  
22 with section 105 of this title."

23 SEC. 3. (a) The rate of basic compensation of the  
24 Housing and Home Finance Administrator, the Chairman  
25 of the Atomic Energy Commission, the Chairman of the



1 Munitions Board, the Chairman of the Research and De-  
2 velopment Board, the Deputy Administrator for Economic  
3 Cooperation, the Assistant Comptroller General of the  
4 United States, the Assistant Director of the Bureau of the  
5 Budget, and the Deputy Administrator of Veterans' Affairs  
6 shall be \$18,000 per annum.

7 (b) The first sentence of section 603 of title 28 of the  
8 United States Code (relating to the salary of the Director  
9 of the Administrative Office of the United States Courts)  
10 is amended to read as follows:

11 "The Director shall receive a salary of \$15,000 a year."

12 (c) The rate of basic compensation of the Public Printer,  
13 the Librarian of Congress, the members (other than the  
14 Chairman) of the Council of Economic Advisers, the Direc-  
15 tor of Central Intelligence, the Federal Mediation and Con-  
16 ciliation Director, the Assistant Federal Security Adminis-  
17 trator, and Director, Federal Bureau of Investigation, shall  
18 be \$17,500 per annum.

19 SEC. 4. The rate of basic compensation of the members  
20 of the Board of Governors of the Federal Reserve System;  
21 the Director of Aeronautical Research of the National Ad-  
22 visory Committee for Aeronautics; members of the Civil  
23 Aeronautics Board; the Chairman of the Board of Directors  
24 of the Export-Import Bank of Washington; members of the  
25 Federal Communications Commission; members of the Board

1 of Directors of the Federal Deposit Insurance Corporation  
2 (including the Comptroller of the Currency) ; members of  
3 the Federal Power Commission; members of the Federal  
4 Trade Commission; members of the Interstate Commerce  
5 Commission; members of the National Labor Relations  
6 Board; members of the National Mediation Board; members  
7 of the Railroad Retirement Board; the Chairman of the  
8 Board of Directors of the Reconstruction Finance Corpora-  
9 tion; members of the Securities and Exchange Commission;  
10 members of the Board of Directors of the Tennessee Valley  
11 Authority; members of the Civil Service Commission; the  
12 Chairman of the United States Maritime Commission;  
13 members of the United States Tariff Commission; members  
14 (other than the Chairman) of the Atomic Energy Com-  
15 mission; the General Counsel of the National Labor Rela-  
16 tions Board; the Architect of the Capitol; and the Deputy  
17 Administrator of General Services shall be at the rate of  
18 \$16,000 per annum.

19 SEC. 5. (a) The rate of basic compensation of the  
20 Housing Expediter; the Director of the Bureau of Federal  
21 Supply; the Director of Selective Service; the Archivist of  
22 the United States; the Assistant Architect of the Capitol;  
23 members of the Displaced Persons Commission; members  
24 of the Indian Claims Commission; members of the War  
25 Claims Commission; members of the Philippine War Dam-



1 age Commission; each Assistant Secretary of an executive  
2 department (including the Fiscal Assistant Secretary of the  
3 Treasury); each Assistant Attorney General; the Assistant  
4 Solicitor General of the United States; the Counselor of  
5 the Department of State; the Second, Third, and Fourth  
6 Assistant Postmasters General; the Associate Federal Medi-  
7 ation and Conciliation Director; the Deputy Director of  
8 Central Intelligence; the Philippine Alien Property Ad-  
9 ministrator; the Chief Assistant Librarian of Congress; the  
10 Deputy Public Printer; members (other than the Chairman)  
11 of the Board of Directors of the Export-Import Bank of  
12 Washington; members (other than the Chairman) of the  
13 Board of Directors of the Reconstruction Finance Corpora-  
14 tion; members (other than the Chairman) of the United  
15 States Maritime Commission; Administrator, Production and  
16 Marketing Administration; Commissioner of Internal Reve-  
17 nue; Director of the Bureau of Prisons; Commissioner of  
18 Public Roads; Commissioner of Public Buildings; Commis-  
19 sioner of Community Facilities; Commissioner of Immigra-  
20 tion and Naturalization; Administrator of Civil Aeronautics;  
21 Administrator, Rural Electrification Administration; Com-  
22 missioner for Social Security; Commissioner of Reclamation;  
23 Chief, Soil Conservation Service; Commissioner of Customs;  
24 Commissioner of Narcotics; Governor of the Farm Credit  
25 Administration; Chief Forester of the Forest Service; Ad-

1    administrator of the Farmers Home Administration; Manager  
2    of the Federal Crop Insurance Corporation; the three  
3    Special Assistants to the Secretary of Defense; and of the  
4    Governors of Alaska, Hawaii, the Virgin Islands, and the  
5    Panama Canal shall be at the rate of \$15,000 per annum.  
6    Notwithstanding section 30 of the Act of May 24, 1924,  
7    as amended (U. S. C., title 5, sec. 152a), the salary of  
8    the Legal Adviser of the Department of State shall continue  
9    to be at the rate of \$10,330 per annum.

10        (b) The second sentence of section 603 of title 28 of  
11    the United States Code (relating to the compensation of the  
12    Assistant Director of the Administrative Office of the United  
13    States Courts) is amended to read as follows: "The Assistant  
14    Director shall receive a salary of \$10,000 a year."

15        (c) The rate of compensation of the Legislative Counsel  
16    of the House of Representatives and of the Legislative  
17    Counsel of the Senate shall be \$12,000 per annum.

18        SEC. 6. In any case in which the chairman or other head  
19    of a board or commission and the other members of such  
20    board or commission receive the same rate of basic compen-  
21    sation under this Act, and such chairman or other head has  
22    important duties or responsibilities not imposed upon other  
23    members of such board or commission, the President is  
24    authorized in his discretion to fix the compensation of such  
25    chairman or other head at the rate of \$18,000 per annum.



1        SEC. 7. The applicable appropriation for the fiscal year  
2        ending June 30, 1950, shall be available for payment of com-  
3        pensation at the rate established for any position by or  
4        pursuant to this Act unless it is specifically provided that  
5        such appropriation shall not be available for such purpose.

6        SEC. 8. This Act shall take effect on the first day of the  
7        first pay period which begins after the date of enactment of  
8        this Act.

· Passed the House of Representatives July 8, 1949.

Attest:

RALPH R. ROBERTS,

*Clerk.*

81ST CONGRESS  
1ST Session

# H. R. 1689

---

## AN ACT

---

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

JULY 11 (legislative day, JUNE 2), 1949

Read twice and ordered to be placed on the calendar

JULY 14 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil  
Service









ator from Wyoming [Mr. O'MAHONEY], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on public business.

I announce further that if present and voting, the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. JENNER] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness, and is paired with the Senator from Pennsylvania [Mr. MARTIN], who is absent on official business. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Pennsylvania would vote "yea."

The Senator from Vermont [Mr. FLANDERS], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], are detained on official business.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The result was announced—yeas 37, nays 41, as follows:

## YEAS—37

Baldwin	Frear	Mundt
Brewster	George	Russell
Bricker	Gillette	Schoeppel
Bridges	Johnson, Colo.	Smith, Maine
Butler	Johnston, S. C.	Stennis
Byrd	Kem	Taft
Cain	Langer	Taylor
Capehart	Long	Watkins
Cordon	McCarran	Wherry
Donnell	McClellan	Williams
Eaton	McKellar	Young
Ellender	Maybank	
Ferguson	Millikin	

## NAYS—41

Aiken	Hill	Magnuson
Anderson	Hoey	Morse
Chapman	Holland	Murray
Connally	Hunt	Myers
Douglas	Ives	Neely
Downey	Johnson, Tex.	Pepper
Dulles	Kerr	Robertson
Fulbright	Kilgore	Saltonstall
Graham	Knowland	Sparkman
Green	Lodge	Thomas, Utah
Gurney	Lucas	Thye
Hayden	McFarland	Vandenberg
Hendrickson	McGrath	Withers
Hickenlooper	McMahon	

## NOT VOTING—18

Chavez	McCarthy	Reed
Eastland	Malone	Smith, N. J.
Flanders	Martin	Thomas, Okla.
Humphrey	Miller	Tobery
Jenner	O'Connor	Tydings
Kefauver	O'Mahoney	Wiley

So the committee amendment was rejected.

Mr. LUCAS. Mr. President, I move to reconsider the vote by which the amendment was just rejected.

Mr. KNOWLAND. Mr. President, I move to lay the motion to reconsider on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

## RECESS

Mr. LUCAS. Mr. President, before the vote was taken on the amendment, we

had agreed to take a recess until 7:30. But in view of the fact that we have run over about 15 or 20 minutes, I ask unanimous consent that the Senate stand in recess until 8 o'clock p. m.

The VICE PRESIDENT. Without objection, it is so ordered, and the Senate will stand in recess until 8 o'clock.

Thereupon (at 6 o'clock and 43 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

On the expiration of the recess, the Senate reassembled.

## EVENING SESSION

The PRESIDING OFFICER (Mr. HOEY in the chair). Under the order previously made, the Senate will proceed to a call of the calendar beginning with Order of Business No. 2, the first bill on the calendar.

## EXECUTIVE SESSION

Mr. LUCAS. Mr. President, before we start the call of the calendar, I move that the Senate proceed for the moment to consider executive business. There are one or two nominations on the calendar which we would like to have confirmed, to which I understand there are no objections.

Mr. WHERRY. Does the Senator refer to the nominations on the second page of the calendar?

Mr. LUCAS. Yes. We will not consider the nominations of Mr. Butterworth, Mr. Briggs or Mr. Davis, but will consider the nominations on page 2 of the calendar.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## UNITED STATES ATTORNEY

The legislative clerk read the nomination of Edward Burns Parker to be United States attorney for the middle district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

## UNITED STATES MARSHAL

The legislative clerk read the nomination of Joseph P. Regan to be United States marshal for the district of Kansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of the confirmations.

## CALL OF THE ROLL

Mr. WHERRY. Mr. President, I was wondering about having a quorum called.

Mr. LUCAS. I was about to do that. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Capehart	Eaton
Anderson	Chapman	Ellender
Baldwin	Chavez	Ferguson
Brewster	Connally	Frear
Bricker	Cordon	Fulbright
Bridges	Donnell	George
Butler	Douglas	Graham
Byrd	Downey	Green
Cain	Dulles	Gurney

Hayden	Long	Pepper
Hendrickson	Lucas	Russell
Hickenlooper	McCarran	Saltonstall
Hill	McCarthy	Schoeppel
Hoey	McClellan	Smith, Maine
Holland	McFarland	Stennis
Hunt	McGrath	Taft
Ives	McKellar	Taylor
Johnson, Colo.	McMahon	Thomas, Utah
Johnson, Tex.	Magnuson	Thye
Johnston, S. C.	Maybank	Tobey
Kefauver	Millikin	Vandenberg
Kem	Morse	Watkins
Kerr	Mundt	Wherry
Kilgore	Murray	Williams
Knowland	Myers	Young
Langer	O'Connor	
Lodge	O'Mahoney	

The PRESIDING OFFICER. A quorum is present.

## THE CALENDAR

Mr. LUCAS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to.

The PRESIDING OFFICER. The call of the calendar will begin with Order of Business No. 2, the first bill on the calendar. The Chair calls the attention of the Senate to the 5-minute rule, and in view of the fact that there are more than 200 bills on the calendar, the Chair thinks that the Senate had better adhere to the rule.

Mr. LUCAS. Mr. President, I agree with the distinguished occupant of the Chair, in view of the fact that we are getting started a little late. I hope we may have order during the call of the calendar, because it is very important, and we may be here for some time.

## BILLS PASSED OVER

The bill (S. 130) to provide for the demonstration of public-library service in areas without such service or with inadequate library facilities, was announced as next in order.

Mr. WHERRY. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 206) relating to the immigration status of the lawful wives and children of the Chinese-treaty merchants, was announced as next in order.

Mr. LANGER. Over.

The PRESIDING OFFICER. The bill will be passed over.

## AMENDMENT OF BANKRUPTCY ACT

The bill (S. 45) to amend section 60 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, was announced as next in order.

Mr. WHERRY. Over.

Mr. McCARRAN. Mr. President, will the Senator from Nebraska kindly withhold the objection until I make a very brief explanation?

Mr. WHERRY. I am glad to withhold the objection.

Mr. McCARRAN. We have a long calendar to consider, and this is not the time to engage in lengthy debate on any particular bill.

Mr. President, business in America wants this bill enacted, the banking industry wants it enacted, the American Bar Association wants it enacted.

I call the attention of Senators to the long list of other proponents of the bill, as referred to in the report, and I sub-



mit the matter to the judgment of the Senate. If the bill be now objected to, let it go over until such time as it can be called up for debate and be made the unfinished business.

I hope that if the Senator from Nebraska is not serious in his objection, he may see fit not to press it.

Mr. WHERRY. Mr. President, I objected in behalf of another Senator, but I think the objection has been removed, so I have no objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That section 60 of an act, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended by the act of June 22, 1938 (52 Stat. 840, 869), is hereby amended by striking out all of subdivision (a) of said section and substituting in lieu thereof the following:

"(a) (1) A preference is a transfer, as defined in this act, of any of the property of a debtor to or for the benefit of a creditor for or on account of an antecedent debt, made or suffered by such debtor while insolvent and within 4 months before the filing by or against him of the original petition initiating a proceeding under this act, the effect of which transfer will be to enable such creditor to obtain a greater percentage of his debt than some other creditor of the same class: *Provided, however,* That this section shall have no application to proceedings under chapter IX of this act.

"(2) For the purposes of subdivisions (a) and (b) of this section, and subject to the provisions of paragraph (3), a transfer shall be deemed to have been made or suffered at the time when it became so far perfected that no creditor obtaining under applicable law by legal or equitable proceedings on a simple contract a lien on such property, without a special priority (whether or not such a creditor exists), could acquire, after such perfection, any rights in the property so transferred superior to the rights of the transferee therein, and if such transfer is not so perfected prior to the filing of the original petition initiating a proceeding under this act, it shall be deemed to have been made immediately before the filing of such original petition: *Provided, however,* That where real property is transferred for or on account of an antecedent debt, the transfer shall be deemed to have been made at the time when it became so far perfected that no bona fide purchaser from the debtor could acquire, after such perfection, any rights in the property so transferred superior to the rights of the transferee therein.

"(3) A transfer, wholly or in part, for or on account of a new and contemporaneous consideration shall, to the extent of such consideration and interest thereon and the other obligations of the transferor connected therewith, be deemed to be made or suffered at the time of the transfer, unless the applicable law requires the transfer to be perfected by recording, delivery, or otherwise, in order that no creditor described in paragraph (2) could acquire, after such perfection, any rights in the property so transferred superior to the rights of the transferee therein. A transfer to secure a future loan, if such loan is actually made, or a transfer which becomes security for a future loan, shall have the same effect as a transfer for or on account of a new and contemporaneous consideration. If any requirement specified in this paragraph (3) exists,

the time of the transfer shall be determined by the following rules:

"I. Where (A) the applicable law specifies a stated period of time of not more than 30 days after the transfer within which recording, delivery, or some other act is required, and compliance therewith is had within such stated period of time; or where (B) the applicable law specifies no such stated period of time or where such stated period of time is more than 30 days, and compliance therewith is had within 30 days after the transfer, the transfer shall be deemed to be made or suffered at the time of the transfer.

"II. Where compliance with the law applicable to the transfer is not had in accordance with the provisions of subparagraph I, the transfer shall be deemed to be made or suffered at the time of compliance therewith, and if such compliance is not had prior to the filing of the original petition initiating a proceeding under this act, such transfer shall be deemed to have been made or suffered immediately before the filing of such original petition."

#### BILLS PASSED OVER

The bill (S. 196) for the relief of James G. Smyth was announced as next in order.

Mr. WHERRY. Mr. President, I shall have to object temporarily to this bill, with the idea that it may be taken up again.

The PRESIDING OFFICER. Without objection, the bill will be passed over.

The bill (S. 45) for the relief of the owners and operators of certain gold mines which were closed or the operations of which were curtailed by War Production Board Limitation Order L-208, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 110) to broaden the cooperative extension system as established in the act of May 8, 1914, and acts supplemental thereto, by providing for cooperative extension work between colleges receiving the benefits of this act and the acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities, and research agencies, and the United States Department of Labor, was announced as next in order.

Mr. DONNELL. Mr. President, I ask that this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

#### INCREASE OF SALARIES OF CERTAIN EXECUTIVE OFFICERS

The bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, was announced as next in order.

Mr. WILLIAMS. Over.

Mr. LUCAS. Mr. President, while I know that it is impossible to consider this bill tonight, however, before the Senate adjourns, this bill or a similar bill which has been passed by the House and is now being considered, I under-

stand, by the committee headed by the distinguished Senator from South Carolina [Mr. JOHNSTON] will be taken up in due course.

Mr. JOHNSTON of South Carolina. Mr. President, the bill which came over from the House was referred to the Committee on Post Office and Civil Service in order that the committee might study it to see if we could agree to the House bill, or adhere to the House bill as nearly as possible, and pass upon the House bill in order to expedite final passage.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

#### JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 25) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

Mr. LUCAS. Mr. President, that is another measure on the calendar which the majority is very desirous of taking up before final adjournment.

#### COUNSEL FOR IMPOVERISHED DEFENDANTS IN THE DISTRICT OF COLUMBIA—BILL RECOMMITTED

The bill (S. 1124) to provide for the appointment and compensation of counsel to impoverished defendants in criminal cases in the United States District Court for the District of Columbia, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

Mr. McGRATH. Mr. President, will the Senator withhold his objection?

Mr. JOHNSTON of South Carolina. I withhold my objection.

Mr. McGRATH. Mr. President, I ask unanimous consent that the bill may be recommitted to the Committee on the District of Columbia, inasmuch as Calendar No. 178, Senate bill 734, covers the same subject, but applies to all the United States district courts, which, of course, includes the United States District Court for the District of Columbia. So I ask unanimous consent that Senate bill 1124 be recommitted to the Committee on the District of Columbia.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COUNSEL FOR IMPOVERISHED DEFENDANTS IN UNITED STATES DISTRICT COURTS

The bill (S. 734) to provide for the appointment and compensation of counsel for impoverished defendants in certain criminal cases in the United States district courts, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

#### PROHIBITION OF PARKING ON PROPERTY USED FOR POSTAL PURPOSES—BILL PASSED OVER

The bill (H. R. 2660) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes was announced as next in order.







81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

JULY 20 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil Service and ordered to be  
printed

---

## AMENDMENT

Intended to be proposed by Mr. THYE (for himself and Mr. BALDWIN) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1 On page 5, line 4, after the semicolon insert "the
- 2 Associate Director of the Federal Bureau of Investigation;"



---

## AMENDMENT

---

Intended to be proposed by Mr. THYE (for himself and Mr. BALDWIN) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

JULY 20 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil  
Service and ordered to be printed

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

JULY 20 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil Service and ordered to be  
printed

---

## AMENDMENT

Intended to be proposed by Mr. BALDWIN to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1       On page 5, line 3, after the second semicolon insert “the
- 2   Administrative Assistant to the Attorney General;”.



81ST CONGRESS  
1ST SESSION

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. BAIKWIN to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

JULY 20 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil Service and ordered to be printed







81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 498

---

IN THE SENATE OF THE UNITED STATES

JULY 28 (legislative day, JUNE 2), 1949  
Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. O'CONOR to the bill (S. 498)  
to increase rates of compensation of the heads and assistant  
heads of executive departments and independent agencies,  
viz:

- 1       On page 5, line 5, after "Relations Board;" insert "the
- 2       General Counsel for the Department of the Treasury;".

---

## AMENDMENT

---

Intended to be proposed by Mr. O'CONNOR to the bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

JULY 28 (legislative day, JUNE 2), 1949

Ordered to lie on the table and to be printed



81ST CONGRESS  
1ST SESSION

# S. 498

---

IN THE SENATE OF THE UNITED STATES

JULY 28 (legislative day, JUNE 2), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. O'CONOR to the bill (S. 498)  
to increase rates of compensation of the heads and assistant  
heads of executive departments and independent agencies,  
viz:

- 1 On page 6, line 11, after "Internal Revenue," insert
- 2 "the Assistant General Counsel for the Bureau of Internal
- 3 Revenue,".

---

## AMENDMENT

---

Intended to be proposed by Mr. O'Connor to the bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

JULY 28 (legislative day, JUNE 2), 1949

Ordered to lie on the table and to be printed

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

JULY 28 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil Service and ordered to be printed

---

## AMENDMENT

Intended to be proposed by Mr. GEORGE (for himself and Mr. MILLIKIN) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1       On page 4, at the end of line 22, insert "the Chief of
- 2   Staff of the Joint Committee on Internal Revenue
- 3   Taxation;".



# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. GEORGE (for himself and Mr. MURKIN) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

JULY 28 (legislative day, JUNE 2), 1949.

Referred to the Committee on Post Office and Civil  
Service and ordered to be printed







---

## INCREASING RATES OF COMPENSATION OF THE HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPART- MENTS AND INDEPENDENT AGENCIES

---

AUGUST 9 (legislative day, JUNE 2), 1949.—Ordered to be printed

---

MR. LONG, from the Committee on Post Office and Civil Service,  
submitted the following

### R E P O R T

[To accompany H. R. 1689]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, having considered the same, report favorably thereon, with an amendment, and recommend that the bill, as amended, do pass.

Section 1 of the bill would increase the compensation of heads of each executive department, the Secretary of Defense, and the Administrator for Economic Cooperation to \$25,000 per annum.

Sections 2, 3, 4, and 5, with the committee amendments, would increase rates of compensation of heads and assistant heads of independent agencies, members of independent boards and commissions, the secretaries and administrative assistants to the President and certain positions in the legislative and judicial branches of the Government which have regularly been fixed to conform to the rates established for comparable positions in the executive branch to \$20,000, \$18,000, \$17,500, \$16,000, and \$15,000 per annum, based upon their respective responsibilities.

Section 5 (c) proposes to establish on a permanent basis the present rate of compensation for the positions of legislative counsel of the House of Representatives and legislative counsel of the Senate.

Section 6 would authorize the President to fix the compensation of the chairman or other head of a board or commission at \$18,000 when such position carries with it important duties or responsibilities not imposed upon other members of such board or commission, who would receive \$16,000.

Section 7 makes the appropriations for the fiscal year 1950 available for the payment of compensation at the rates provided in the bill unless specifically prohibited by the appropriation acts.

All positions covered and the salaries to be paid are specifically set forth in the bill, except as indicated in section 6 above.

#### GENERAL STATEMENT

For the past 2 years pay increases for the heads and assistant heads of the executive departments and agencies have been the subject of intensive study by the Senate Committee on Post Office and Civil Service, and more recently by the House Committee on Post Office and Civil Service.

Based upon these studies, H. R. 1689, as amended, represents the best judgment of the committee as to the salary rates which should be established for the positions covered in the bill.

For a detailed description of the positions and justification for the proposed increases, the committee refers to House Report No. 535.

#### SENATE AMENDMENTS

The committee recommend the following amendments to H. R. 1689:

1. The Administrator for Economic Cooperation: Delete from section 2 (a) and include in section 1.

This amendment would raise the salary for this position from \$20,000, as proposed by the House bill, to \$25,000 per annum, the Cabinet level.

2. The Housing and Home Finance Administrator: Delete from section 3 (a) and insert in section 2 (a).

This amendment would raise the salary of this position from \$18,000, as proposed by the House bill, to \$20,000 per annum.

3. The Comptroller of the Currency and the Chairman of the Board of Directors of the Reconstruction Finance Corporation: Delete from section 4 and insert in section 3 (a).

This amendment would raise the salary for these positions from \$16,000, as proposed in the House bill, to \$18,000 per annum.

4. The Director of the Administrative Office of the United States Courts: Delete "\$15,000" in section 3 (b) and insert in lieu thereof "\$16,000".

5. The Deputy Under Secretaries of State: Insert in section 3 (c).

These positions were not included in the House bill but were authorized by Public Law 73, Eighty-first Congress.

This amendment would establish the rates of pay for the Deputy Under Secretaries at \$17,500, midway between that of the Under Secretary (\$20,000) and those of the Assistant Secretaries (\$15,000).

6. The Home Loan Bank Board; the Public Housing Commissioner; the Federal Housing Commissioner: Insert in section 4.

This amendment would establish the rate of pay for these positions at \$16,000.

7. The Archivist of the United States: Delete from section 5 (a).

This amendment would drop this position from consideration under this bill.

The recent enactment of the Eighty-first Congress placed the Archives in the General Services Administration. Since the Archivist is no longer the head of an independent agency, his position should receive the same consideration as other subordinate officials which

the committee is recommending to be dropped from the bill and considered in S. 2379, now on the Senate calendar.

8. The Director of the Bureau of Federal Supply; Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator of Civil Aeronautics; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Commissioner of Narcotics; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; Manager of the Federal Crop Insurance Corporation; the three Special Assistants to the Secretary of Defense: Delete from section 5 (a).

This amendment would drop these positions from the bill.

While most of these positions are of great importance and responsibility, they are in all cases below the level of the head of a department or independent agency and should be considered as positions coming within the position-classification bill, S. 2379, now on the Senate calendar for consideration.

9. The Legal Adviser of the Department of State: Delete the last sentence in section 5 (a), which provides that the salary of the Legal Adviser of the Department of State shall continue at the rate of \$10,330 per annum.

This amendment would have the effect of fixing the salary at \$15,000 per annum, the same rate as provided for Assistant Secretaries. This is in accord with Public Law 73 of the Eighty-first Congress, which provides that the Legal Adviser shall rank equally with the Assistant Secretaries of State.

10. The Assistant Director of the Administrative Office of the United States Courts: Delete "\$10,000" in section 5 (b) and insert in lieu thereof "\$15,000".

The committee has evaluated all the information available to it as a result of the long study made of the salaries of top Government officials. It is unanimous in its conclusion that its initial recommendation to limit the coverage of a bill to increase the salaries of top executives to those whose responsibilities included the making of policy decisions was sound.

With respect to the many responsible positions below this level, the committee believe the rates of compensation for such positions should be fixed under the classification system and that the salary structure of this system should provide more equitable salaries for these positions. The committee has therefore recommended that the Senate adopt the proposals contained in S. 2379, now on the Senate Calendar for consideration, which would increase the maximum salary under the classification system to \$15,000.



# 4 COMPENSATION OF HEADS OF EXECUTIVE DEPARTMENTS

TABLE I.—*Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689, as passed by the House, and the effect of the Senate amendments to this proposal*

	Position	Number	Present	H. R. 1689 as passed by the House	H. R. 1689 proposed by the Senate
Sec. 1:					
	Secretary, Department of Agriculture.....	1	\$15,000.00	\$25,000	\$25,000
	Secretary, Department of Commerce.....	1	15,000.00	25,000	25,000
	Secretary, Department of the Interior.....	1	15,000.00	25,000	25,000
	Attorney General, Department of Justice.....	1	15,000.00	25,000	25,000
	Secretary, Department of Labor.....	1	15,000.00	25,000	25,000
	Secretary, Department of Defense.....	1	15,000.00	25,000	25,000
	Secretary, Department of the Air Force.....	1	15,000.00	25,000	25,000
	Secretary, Department of the Army.....	1	15,000.00	25,000	25,000
	Secretary, Department of the Navy.....	1	15,000.00	25,000	25,000
	Postmaster General, Post Office Department.....	1	15,000.00	25,000	25,000
	Secretary, Department of State.....	1	15,000.00	25,000	25,000
	Secretary, Treasury Department.....	1	15,000.00	25,000	25,000
	Administrator for Economic Cooperation.....	1	20,000.00	20,000	25,000
Sec. 2 (a):					
	Comptroller General of the United States.....	1	12,000.00	20,000	20,000
	Chairman, Council of Economic Advisers.....	1	15,000.00	20,000	20,000
	Director of the Bureau of the Budget.....	1	10,000.00	20,000	20,000
	Chairman, National Security Resources Board.....	1	14,000.00	20,000	20,000
	Administrator, Federal Security Agency.....	1	12,000.00	20,000	20,000
	Administrator of Veterans Affairs.....	1	12,000.00	20,000	20,000
	Administrator, General Services Administration <sup>1</sup> .....	1	(1)	20,000	20,000
	Housing and Home Finance Administrator.....	1	16,500.00	18,000	20,000
	Under Secretary, Department of Agriculture.....	1	10,330.00	20,000	20,000
	Under Secretary, Department of Commerce.....	1	10,000.00	20,000	20,000
	Under Secretary, Department of the Interior.....	1	10,330.00	20,000	20,000
	Under Secretary, Department of Labor.....	1	10,330.00	20,000	20,000
	Under Secretary of Defense.....	1	12,000.00	20,000	20,000
	Under Secretary, Department of the Air Force.....	1	10,000.00	20,000	20,000
	Under Secretary, Department of the Army.....	1	10,000.00	20,000	20,000
	Under Secretary, Department of the Navy.....	1	10,000.00	20,000	20,000
	Under Secretary, Department of State.....	1	12,000.00	20,000	20,000
	Under Secretary, Treasury Department.....	1	10,330.00	20,000	20,000
	Assistant to the Attorney General, Justice.....	1	10,330.00	20,000	20,000
	Solicitor General of the United States, Justice.....	1	10,330.00	20,000	20,000
	First Assistant Postmaster General, Post Office.....	1	10,330.00	20,000	20,000
Sec. 2 (b):					
	White House officials designated by the President:				
	6 administrative assistants.....	12	(1) 15,000.00	(2) 20,000	(2) 20,000
	The Executive Secretary, National Security Council.....		(1) 12,000.00		
	.....		(9) 10,330.00		
	5 other secretaries or other immediate assistants.....		(1) 10,000.00		
Sec. 3 (a):					
	Chairman, Atomic Energy Commission.....	1	17,500.00	18,000	18,000
	Chairman, Munitions Board.....	1	14,000.00	18,000	18,000
	Chairman, Research and Development Board.....	1	14,000.00	18,000	18,000
	Deputy Administrator for Economic Cooperation.....	1	17,500.00	18,000	18,000
	Assistant Comptroller General of the United States.....	1	10,330.00	18,000	18,000
	Assistant Director of the Bureau of the Budget.....	1	10,330.00	18,000	18,000
	Deputy Administrator of Veterans' Affairs.....	1	10,330.00	18,000	18,000
	Chairman, Board of Directors, Reconstruction Finance Corporation.....	1	15,000.00	16,000	18,000
	Comptroller of the Currency.....	1	15,000.00	16,000	18,000
Sec. 3 (b):					
	Director, Administrative Office of the U. S. Courts.....	1	10,330.00	15,000	16,000
Sec. 3 (c):					
	Public Printer.....	1	10,330.00	17,500	17,500
	Librarian of Congress.....	1	10,330.00	17,500	17,500
	Members (other than Chairman), Council of Economic Advisers.....	2	15,000.00	17,500	17,500
	Director of Central Intelligence.....	1	14,000.00	17,500	17,500
	Federal Mediation and Conciliation Director.....	1	12,000.00	17,500	17,500
	Assistant Federal Security Administrator.....	1	10,330.00	17,500	17,500
	Director, Federal Bureau of Investigation.....	1	14,000.00	17,500	17,500
	Deputy Under Secretary of State.....	2	10,330.00	15,000	17,500
Sec. 4:					
	Members, Board of Governors, Federal Reserve System.....	7	15,000.00	16,000	16,000
	Members, Home Loan Bank Board.....	3	15,000.00	-----	16,000
	Public Housing Commissioner.....	1	15,000.00	-----	16,000
	Federal Housing Commissioner.....	1	15,000.00	-----	16,000
	Director of Aeronautical Research, National Advisory Committee for Aeronautics.....	1	10,330.00	16,000	16,000
	Members, Civil Aeronautics Board.....	{	1	12,000.00	16,000
	Chairman, Board of Directors, Export-Import Bank of Washington.....		4	11,500.00	16,000
	Members, Federal Communications Commission.....	7	15,000.00	16,000	16,000
	Members, Federal Communications Commission.....	1	10,000.00	16,000	16,000

See footnotes at end of table, p. 6.

TABLE I.—*Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689, as passed by the House, and the effect of the Senate amendments to this proposal—Continued*

Position	Number	Present	H. R. 1689 as passed by the House	H. R. 1689 proposed by the Senate
Sec. 4—Continued				
Board of Directors, Federal Deposit Insurance Corporation.....	2	\$15,000.00	\$16,000	\$16,000
Members, Federal Power Commission.....	5	10,000.00	16,000	16,000
Members, Federal Trade Commission.....	5	10,000.00	16,000	16,000
Members, Interstate Commerce Commission.....	11	12,000.00	16,000	16,000
Members, National Labor Relations Board.....	5	12,000.00	16,000	16,000
Members, National Mediation Board.....	3	10,000.00	16,000	16,000
Members, Railroad Retirement Board.....	3	10,000.00	16,000	16,000
Members, Securities and Exchange Commission.....	5	10,000.00	16,000	16,000
Board of Directors, Tennessee Valley Authority.....	3	10,000.00	16,000	16,000
Members, Civil Service Commission.....	3	10,000.00	16,000	16,000
Chairman, United States Maritime Commission.....	1	12,000.00	16,000	16,000
Members, United States Tariff Commission.....	6	10,000.00	16,000	16,000
Members (other than Chairman), Atomic Energy Commission.....	4	15,000.00	16,000	16,000
General Counsel, National Labor Relations Board.....	1	12,000.00	16,000	16,000
Architect of the Capitol.....	1	10,330.00	16,000	16,000
Deputy Administrator of General Services <sup>1</sup> .....	1	(1)	16,000	16,000
Sec. 5 (a):				
Housing Expediter.....	1	12,000.00	15,000	15,000
Director of Selective Service.....	1	12,500.00	15,000	15,000
Assistant Architect of the Capitol.....	1	9,985.80	15,000	15,000
Members, Displaced Persons Commission.....	3	10,000.00	15,000	15,000
Members, Indian Claims Commission.....	3	10,000.00	15,000	15,000
Members, War Claims Commission.....	3	12,000.00	15,000	15,000
Members, Philippine War Damage Commission.....	3	12,000.00	15,000	15,000
Assistant Secretary, Department of Agriculture.....	1	10,305.00	15,000	15,000
Assistant Secretary, Department of Commerce.....	2	10,000.00	15,000	15,000
Assistant Secretary, Department of the Interior.....	2	10,330.00	15,000	15,000
Assistant Secretary, Department of Labor.....	3	10,330.00	15,000	15,000
Assistant Secretary, Department of Air Force.....	2	10,000.00	15,000	15,000
Assistant Secretary, Department of Navy.....	2	10,000.00	15,000	15,000
Assistant Secretary, Department of Army.....	2	10,000.00	15,000	15,000
Assistant Secretary, Department of State.....	8	10,330.00	15,000	15,000
Assistant Secretary, Department of Treasury.....	2	10,330.00	15,000	15,000
Fiscal Assistant Secretary, Department of Treasury.....	1	10,330.00	15,000	15,000
Assistant Attorney General, Department of Justice.....	3	10,330.00	15,000	15,000
Assistant Solicitor General, Department of Justice.....	1	10,000.00	15,000	15,000
Counselor, Department of State.....	1	10,330.00	15,000	15,000
Second Assistant Postmaster General, Post Office.....	1	10,330.00	15,000	15,000
Third Assistant Postmaster General, Post Office.....	1	10,330.00	15,000	15,000
Fourth Assistant Postmaster General, Post Office.....	1	10,330.00	15,000	15,000
Associate Federal Mediation and Conciliation Director.....	1	10,330.00	15,000	15,000
Deputy Director, Central Intelligence.....	1	10,000.00	15,000	15,000
Philippine Alien Property Administrator.....	1	10,000.00	15,000	15,000
Chief Assistant Librarian of Congress.....	1	10,330.00	15,000	15,000
Deputy Public Printer.....	1	10,330.00	15,000	15,000
Members (other than Chairman), Board of Directors, Export-Import Bank of Washington.....	3	12,000.00	15,000	15,000
Members (other than Chairman), Board of Directors, Reconstruction Finance Corporation.....	4	12,500.00	15,000	15,000
Members (other than Chairman), U. S. Maritime Com- mission.....	4	10,000.00	15,000	15,000
Commissioners, U. S. Court of Claims.....	13	9,707.00	-----	15,000
Governor, Alaska.....	1	10,330.00	15,000	15,000
Governor, Hawaii.....	1	10,330.00	15,000	15,000
Governor, Virgin Islands.....	1	10,330.00	15,000	15,000
Governor, Panama Canal.....	1	10,000.00	15,000	15,000
Sec. 5 (b): Assistant Director, Administrative Office of the U. S. Courts.....				
	1	9,707.00	10,000	15,000
Sec. 5 (c):				
Legislative counsel, House of Representatives.....	1	12,000.00	12,000	12,000
Legislative counsel, Senate.....	1	12,000.00	12,000	12,000
Sec. 6:				
Compensation of chairman or other head of board or commission having important duties or responsibili- ties not imposed upon other members of such board or commission may be fixed by the President at \$18,000.				
Archivist of the United States.....	1	10,000.00	15,000	-----
Administrator, Production and Marketing Adminis- tration.....	1	10,330.00	15,000	-----

See footnotes at end of table, p. 6.

TABLE I.—*Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689, as passed by the House, and the effect of the Senate amendments to this proposal—Continued*

Position	Num-ber	Present	H. R. 1689 as passed by the House	H. R. 1689 proposed by the Senate
Sec. 6—Continued				
Commissioner of Internal Revenue.....	1	\$10,330.00	\$15,000	-----
Director, Bureau of Prisons.....	1	10,330.00	15,000	-----
Commissioner of Public Roads.....	1	10,330.00	15,000	-----
Commissioner of Public Buildings.....	1	10,330.00	15,000	-----
Commissioner of Community Facilities.....	1	10,330.00	15,000	-----
Commissioner of Immigration and Naturalization.....	1	10,330.00	15,000	-----
Administrator of Civil Aeronautics.....	1	12,000.00	15,000	-----
Administrator, Rural Electrification Administration.....	1	10,330.00	15,000	-----
Commissioner for Social Security.....	1	10,330.00	15,000	-----
Commissioner of Reclamation.....	1	10,330.00	15,000	-----
Chief, Soil Conservation Service.....	1	10,330.00	15,000	-----
Commissioner of Customs.....	1	10,330.00	15,000	-----
Commissioner of Narcotics.....	1	10,330.00	15,000	-----
Governor, Farm Credit Administration.....	1	10,000.00	15,000	-----
Chief Forester, Forest Service.....	1	10,000.00	15,000	-----
Administrator, Farmers Home Administration.....	1	10,000.00	15,000	-----
Manager, Federal Crop Insurance Corporation.....	1	10,330.00	15,000	-----
Special Assistants to the Secretary of Defense.....	3	10,000.00	15,000	-----
Director, Bureau of Federal Supply.....	1	10,330.00	15,000	-----

SUMMARY OF COSTS <sup>2</sup>

	Number of positions	Present annual cost	Proposed	Increase
H. R. 1689, as passed by the House.....	244	\$2,771,332.80	\$4,026,000	\$1,254,667.20
H. R. 1689, as proposed by the Senate.....	239	2,735,573.80	3,978,000	1,242,426.20

<sup>1</sup> Salaries for these positions have not yet been established by the President in accordance with Public Law 152, 81st Cong.

<sup>2</sup> For purposes of computing the costs, the rates formerly paid the Administrator and Assistant Administrator of Federal Works Agency were used for the positions of Administrator and Deputy Administrator of General Services Administration.







Calendar No. 886

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

[Report No. 882]

---

## IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JUNE 2), 1949

Read twice and ordered to be placed on the calendar

JULY 14 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil Service

AUGUST 9 (legislative day, JUNE 2), 1949

Reported by Mr. LONG, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

---

## AN ACT

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the rate of basic compensation of the head of each  
4       executive department and of the Secretary of Defense shall  
5       be \$25,000 per annum.

6       SEC. 2. (a) The rate of basic compensation of the  
7       Administrator for Economic Cooperation, the Comptroller  
8       General of the United States, the Chairman of the Council  
9       of Economic Advisers, the Director of the Bureau of the  
10      Budget, the Chairman of the National Security Resources  
11      Board, the Federal Security Administrator, the Adminis-



1 trator of Veterans' Affairs, the Administrator of General  
2 Services, each Under Secretary of an executive department,  
3 the Assistant to the Attorney General, the Solicitor General  
4 of the United States, and the First Assistant Postmaster  
5 General shall be \$20,000 per annum.

6 (b) Section 105 of title 3 of the United States Code is  
7 amended to read as follows:

8 "COMPENSATION OF SECRETARIES AND EXECUTIVE AD-  
9 MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

10 "§ 105. The President is authorized to fix the com-  
11 pensation of the six administrative assistants authorized to  
12 be appointed under section 106 of this title; of the Executive  
13 Secretary of the National Security Council; and of five other  
14 secretaries or other immediate staff assistants in the White  
15 House Office as follows: Two at rates not exceeding \$20,000  
16 per annum; three at rates not exceeding \$18,000 per annum;  
17 and seven at rates not exceeding \$16,000 per annum."

18 (c) The first sentence of section 106 of title 3 of the  
19 United States Code is amended to read as follows: "The  
20 President is authorized to appoint not to exceed six admin-  
21 istrative assistants and to fix their compensation in accordance  
22 with section 105 of this title."

23 SEC. 3. (a) The rate of basic compensation of the  
24 Housing and Home Finance Administrator, the Chairman  
25 of the Atomic Energy Commission, the Chairman of the

1 Munitions Board, the Chairman of the Research and De-  
2 velopment Board, the Deputy Administrator for Economic  
3 Cooperation, the Assistant Comptroller General of the  
4 United States, the Assistant Director of the Bureau of the  
5 Budget, and the Deputy Administrator of Veterans' Affairs  
6 shall be \$18,000 per annum.

7 (b) The first sentence of section 603 of title 28 of the  
8 United States Code (relating to the salary of the Director  
9 of the Administrative Office of the United States Courts)  
10 is amended to read as follows:

11 "The Director shall receive a salary of \$15,000 a year."

12 (c) The rate of basic compensation of the Public Printer,  
13 the Librarian of Congress, the members (other than the  
14 Chairman) of the Council of Economic Advisers, the Direc-  
15 tor of Central Intelligence, the Federal Mediation and Con-  
16 ciliation Director, the Assistant Federal Security Adminis-  
17 trator, and Director, Federal Bureau of Investigation, shall  
18 be \$17,500 per annum.

19 SEC. 4. The rate of basic compensation of the members  
20 of the Board of Governors of the Federal Reserve System;  
21 the Director of Aeronautical Research of the National Ad-  
22 visory Committee for Aeronautics; members of the Civil  
23 Aeronautics Board; the Chairman of the Board of Directors  
24 of the Export-Import Bank of Washington; members of the  
25 Federal Communications Commission; members of the Board

1 of Directors of the Federal Deposit Insurance Corporation  
2 (including the Comptroller of the Currency); members of  
3 the Federal Power Commission; members of the Federal  
4 Trade Commission; members of the Interstate Commerce  
5 Commission; members of the National Labor Relations  
6 Board; members of the National Mediation Board; members  
7 of the Railroad Retirement Board; the Chairman of the  
8 Board of Directors of the Reconstruction Finance Corpora-  
9 tion; members of the Securities and Exchange Commission;  
10 members of the Board of Directors of the Tennessee Valley  
11 Authority; members of the Civil Service Commission; the  
12 Chairman of the United States Maritime Commission;  
13 members of the United States Tariff Commission; members  
14 (other than the Chairman) of the Atomic Energy Com-  
15 mission; the General Counsel of the National Labor Rela-  
16 tions Board; the Architect of the Capitol; and the Deputy  
17 Administrator of General Services shall be at the rate of  
18 \$16,000 per annum.

19 SEC. 5. (a) The rate of basic compensation of the  
20 Housing Expediter; the Director of the Bureau of Federal  
21 Supply; the Director of Selective Service; the Archivist of  
22 the United States; the Assistant Architect of the Capitol;  
23 members of the Displaced Persons Commission; members  
24 of the Indian Claims Commission; members of the War  
25 Claims Commission; members of the Philippine War Dam-



1 age Commission; each Assistant Secretary of an executive  
2 department (including the Fiscal Assistant Secretary of the  
3 Treasury); each Assistant Attorney General; the Assistant  
4 Solicitor General of the United States; the Counselor of  
5 the Department of State; the Second, Third, and Fourth  
6 Assistant Postmasters General; the Associate Federal Medi-  
7 cation and Conciliation Director; the Deputy Director of  
8 Central Intelligence; the Philippine Alien Property Ad-  
9 ministrator; the Chief Assistant Librarian of Congress; the  
10 Deputy Public Printer; members (other than the Chairman)  
11 of the Board of Directors of the Export-Import Bank of  
12 Washington; members (other than the Chairman) of the  
13 Board of Directors of the Reconstruction Finance Corpora-  
14 tion; members (other than the Chairman) of the United  
15 States Maritime Commission; Administrator, Production and  
16 Marketing Administration; Commissioner of Internal Reve-  
17 nue; Director of the Bureau of Prisons; Commissioner of  
18 Public Roads; Commissioner of Public Buildings; Commis-  
19 sioner of Community Facilities; Commissioner of Immigra-  
20 tion and Naturalization; Administrator of Civil Aeronautics;  
21 Administrator, Rural Electrification Administration; Com-  
22 missioner for Social Security; Commissioner of Reclamation;  
23 Chief, Soil Conservation Service; Commissioner of Customs;  
24 Commissioner of Narcotics; Governor of the Farm Credit

1 Administration; Chief Forester of the Forest Service; Ad-  
 2 ministrator of the Farmers Home Administration; Manager  
 3 of the Federal Crop Insurance Corporation; the three  
 4 Special Assistants to the Secretary of Defense; and of the  
 5 Governors of Alaska, Hawaii, the Virgin Islands, and the  
 6 Panama Canal shall be at the rate of \$15,000 per annum.  
 7 Notwithstanding section 30 of the Act of May 24, 1924,  
 8 as amended (U. S. C., title 5, sec. 152a), the salary of  
 9 the Legal Adviser of the Department of State shall continue  
 10 to be at the rate of \$10,330 per annum.

11 (b) The second sentence of section 603 of title 28 of  
 12 the United States Code (relating to the compensation of the  
 13 Assistant Director of the Administrative Office of the United  
 14 States Courts) is amended to read as follows: "The Assistant  
 15 Director shall receive a salary of \$10,000 a year."

16 (c) The rate of compensation of the Legislative Counsel  
 17 of the House of Representatives and of the Legislative  
 18 Counsel of the Senate shall be \$12,000 per annum.

19 SEC. 6. In any case in which the chairman or other head  
 20 of a board or commission and the other members of such  
 21 board or commission receive the same rate of basic compen-  
 22 sation under this Act, and such chairman or other head has  
 23 important duties or responsibilities not imposed upon other

1 members of such board or commission, the President is  
2 authorized in his discretion to fix the compensation of such  
3 chairman or other head at the rate of \$18,000 per annum.

4 SEC. 7. The applicable appropriation for the fiscal year  
5 ending June 30, 1950, shall be available for payment of com-  
6 pensation at the rate established for any position by or  
7 pursuant to this Act unless it is specifically provided that  
8 such appropriation shall not be available for such purpose.

9 SEC. 8. This Act shall take effect on the first day of the  
10 first pay period which begins after the date of enactment of  
11 this Act.

12 *That the rate of basic compensation of the head of each*  
13 *executive department, of the Secretary of Defense, and of the*  
14 *Administrator for Economic Cooperation shall be \$25,000*  
15 *per annum.*

16 SEC. 2. (a) *The rate of basic compensation of the Comp-*  
17 *troller General of the United States, the Chairman of the*  
18 *Council of Economic Advisers, the Director of the Bureau*  
19 *of the Budget, the Chairman of the National Security*  
20 *Resources Board, the Federal Security Administrator, the*  
21 *Administrator of Veterans' Affairs, the Administrator of*  
22 *General Services, the Housing and Home Finance Adminis-*  
23 *trator, each Under Secretary of an executive department;*



1 *the Assistant to the Attorney General, the Solicitor General*  
2 *of the United States, and the First Assistant Postmaster*  
3 *General shall be \$20,000 per annum.*

4 (b) *Section 105 of title 3 of the United States Code is*  
5 *amended to read as follows:*

6 “COMPENSATION OF SECRETARIES AND EXECUTIVE, AD-  
7 MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

8 “§ 105. The President is authorized to fix the com-  
9 pensation of the six administrative assistants authorized to  
10 be appointed under section 106 of this title, of the Executive  
11 Secretary of the National Security Council, and of five other  
12 secretaries or other immediate staff assistants in the White  
13 House Office as follows: Two at rates not exceeding \$20,000  
14 per annum, three at rates not exceeding \$18,000 per annum,  
15 and seven at rates not exceeding \$16,000 per annum.”

16 (c) *The first sentence of section 106 of title 3 of the*  
17 *United States Code is amended to read as follows: “The*  
18 *President is authorized to appoint not to exceed six admin-*  
19 *istrative assistants and to fix their compensation in accordance*  
20 *with section 105 of this title.”*

21 SEC. 3. (a) *The rate of basic compensation of the Chair-*  
22 *man of the Atomic Energy Commission, the Chairman of the*  
23 *Munitions Board, the Chairman of the Research and De-*  
24 *velopment Board, the Deputy Administrator for Economic*  
25 *Cooperation, the Assistant Comptroller General of the*

1 *United States, the Assistant Director of the Bureau of the*  
2 *Budget, the Deputy Administrator of Veterans' Affairs, the*  
3 *Comptroller of the Currency, and the Chairman of the Board*  
4 *of Directors of the Reconstruction Finance Corporation shall*  
5 *be \$18,000 per annum.*

6 (b) *The first sentence of section 603 of title 28 of the*  
7 *United States Code (relating to the salary of the Director*  
8 *of the Administrative Office of the United States Courts)*  
9 *is amended to read as follows:*

10 "The Director shall receive a salary of \$16,000 a year."

11 (c) *The rate of basic compensation of the Public*  
12 *Printer, the Librarian of Congress, the members (other*  
13 *than the Chairman) of the Council of Economic Advisers,*  
14 *the Director of Central Intelligence, the Federal Mediation*  
15 *and Conciliation Director, the Assistant Federal Security*  
16 *Administrator, Director, Federal Bureau of Investigation,*  
17 *and the Deputy Under Secretaries of State shall be \$17,500*  
18 *per annum.*

19 SEC. 4. *The rate of basic compensation of the members*  
20 *of the Board of Governors of the Federal Reserve System;*  
21 *members of the Home Loan Bank Board; the Public Hous-*  
22 *ing Commissioner; the Federal Housing Commissioner;*  
23 *the Director of Aeronautical Research of the National Ad-*  
24 *visory Committee for Aeronautics; members of the Civil*  
25 *Aeronautics Board; the Chairman of the Board of Directors*

1 of the Export-Import Bank of Washington; members of the  
2 Federal Communications Commission; members of the Board  
3 of Directors of the Federal Deposit Insurance Corporation;  
4 members of the Federal Power Commission; members of the  
5 Federal Trade Commission; members of the Interstate Com-  
6 merce Commission; members of the National Labor Rela-  
7 tions Board; members of the National Mediation Board;  
8 members of the Railroad Retirement Board; members of the  
9 Securities and Exchange Commission; members of the Board  
10 of Directors of the Tennessee Valley Authority; members of  
11 the Civil Service Commission; the Chairman of the United  
12 States Maritime Commission; members of the United States  
13 Tariff Commission; members (other than the Chairman)  
14 of the Atomic Energy Commission; the General Counsel  
15 of the National Labor Relations Board; the Architect of the  
16 Capitol; and the Deputy Administrator of General Services  
17 shall be at the rate of \$16,000 per annum.

18 SEC. 5. (a) The rate of basic compensation of the  
19 Housing Expediter; the Director of Selective Service; the  
20 Assistant Architect of the Capitol; members of the Displaced  
21 Persons Commission; members of the Indian Claims Com-  
22 mission; members of the War Claims Commission; members  
23 of the Philippine War Damage Commission; each Assistant  
24 Secretary of an executive department (including the Fiscal  
25 Assistant Secretary of the Treasury); each Assistant Attorney



1 *General; the Assistant Solicitor General of the United States;*  
2 *the Counselor of the Department of State; the Second, Third,*  
3 *and Fourth Assistant Postmasters General; the Associate*  
4 *Federal Mediation and Conciliation Director; the Deputy*  
5 *Director of Central Intelligence; the Philippine Alien Prop-*  
6 *erty Administrator; the Chief Assistant Librarian of Con-*  
7 *gress; the Deputy Public Printer; members (other than the*  
8 *Chairman) of the Board of Directors of the Export-Import*  
9 *Bank of Washington; members (other than the Chairman)*  
10 *of the Board of Directors of the Reconstruction Finance*  
11 *Corporation; members (other than the Chairman) of the*  
12 *United States Maritime Commission; the Commissioners of*  
13 *the United States Court of Claims; and of the Governors of*  
14 *Alaska, Hawaii, the Virgin Islands, and the Panama Canal*  
15 *shall be at the rate of \$15,000 per annum.*

16 (b) *The second sentence of section 603 of title 28 of*  
17 *the United States Code (relating to the compensation of the*  
18 *Assistant Director of the Administrative Office of the United*  
19 *States Courts) is amended to read as follows: "The Assistant*  
20 *Director shall receive a salary of \$15,000 a year."*

21 (c) *The rate of compensation of the Legislative Counsel*  
22 *of the House of Representatives and of the Legislative*  
23 *Counsel of the Senate shall be \$12,000 per annum.*

24 SEC. 6. *In any case in which the chairman or other head*  
25 *of a board or commission and the other members of such*

1 board or commission receive the same rate of basic compen-  
2 sation under this Act, and such chairman or other head has  
3 important duties or responsibilities not imposed upon other  
4 members of such board or commission, the President is  
5 authorized in his discretion to fix the compensation of such  
6 chairman or other head at the rate of \$18,000 per annum.

7       *SEC. 7. The applicable appropriation for the fiscal year*  
8 *ending June 30, 1950, shall be available for payment of com-*  
9 *penstation at the rate established for any position by or*  
10 *pursuant to this Act unless it is specifically provided that*  
11 *such appropriation shall not be available for such purpose.*

12       *SEC. 8. This Act shall take effect on the first day of the*  
13 *first pay period which begins after the date of enactment of*  
14 *this Act.*

Passed the House of Representatives July 8, 1949.

Attest:

RALPH R. ROBERTS,

Clerk.





81ST CONGRESS  
1ST Session

**H. R. 1689**

[Report No. 882]

---

**AN ACT**

---

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

JULY 11 (legislative day, JUNE 2), 1949

Read twice and ordered to be placed on the calendar

JULY 14 (legislative day, JUNE 2), 1949

Referred to the Committee on Post Office and Civil  
Service

AUGUST 9 (legislative day, JUNE 2), 1949

Reported with an amendment







---

IN THE SENATE OF THE UNITED STATES

AUGUST 25 (legislative day, JUNE 2), 1949

Ordered to lie on the table and to be printed

---

**AMENDMENT**

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. CAIN) to the bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: At the end of the bill add a new section as follows:

- 1        SEC.    . This Act shall take effect on the date on which  
2 the President declares that it is expected, on the basis of  
3 estimated revenues and expenditures, that the revenues of  
4 the Federal Government for the fiscal year in which such  
5 proclamation is made will equal or exceed its expenditures  
6 for such fiscal year.

---

## AMENDMENT

---

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. CAIRN) to the bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

August 25 (legislative day, June 2), 1949

Ordered to lie on the table and to be printed

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

AUGUST 25 (legislative day, JUNE 2), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. CAIN) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: Strike out section 8 and insert in lieu thereof the following:

- 1        SEC.     . This Act shall take effect on the date on which
- 2        the President declares that it is expected, on the basis of
- 3        estimated revenues and expenditures, that the revenues
- 4        of the Federal Government for the fiscal year in which such
- 5        proclamation is made will equal or exceed its expenditures
- 6        for such fiscal year.



81ST CONGRESS  
1ST SESSION

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. Williams (for himself and Mr. Cain) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

AUGUST 25 (legislative day, JUNE 2), 1949  
Ordered to lie on the table and to be printed







the Committee on the Judiciary with an amendment on page 2, after line 4, to strike out:

SEC. 2. In the administration of the act entitled "An act to equalize certain disability benefits for Army officers", approved June 29, 1943 (57 Stat. 249), as amended, said Earl B. Hochwalt shall be deemed (a) to have incurred the physical disability for which he was retired from active service while serving in the temporary grade of lieutenant colonel, and (b) to have made timely application for receipt of the benefits provided by such act in full compliance with the provisions of section 7 thereof. No back retirement pay for any period prior to April 1, 1948, shall be deemed to have accrued by reason of the enactment of this section.

So as to make the bill read:

*Be it enacted, etc.,* That (a) Earl B. Hochwalt, lieutenant colonel, United States Army, retired, is hereby relieved of liability for repayment of such sums as may have been paid to him, through error of the Finance Department, United States Army, in excess of the retired pay which he was entitled by law to receive for the period July 1, 1943, through March 31, 1948, and have not been repaid by him.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Earl B. Hochwalt an amount equal to such sums as may have been repaid by him, or deducted from his retired pay, in partial or full settlement of such erroneously paid sums.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### CONVEYANCE OF CERTAIN LANDS TO MILES CITY, MONT.

The Senate proceeded to consider the bill (H. R. 3589) to convey to the city of Miles City, State of Montana, certain lands in Custer County, Mont., for use as an industrial site.

Mr. HENDRICKSON. Mr. President, I send to the desk an amendment which I ask the clerk to read.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, line 6, it is proposed to insert, after the word "Montana," the words "50 per centum of the proposed fair market value, as determined by the Secretary, of the following tracts of public land in Custer County, Mont., to wit:"; to strike out, in line 6, the words "upon payment of a", and to strike out out lines 7, 8, and 9.

The amendment was agreed to.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. ECTON. Mr. President, I do not know the purpose of the amendment. I suppose it does not hurt the bill very much.

Mr. HENDRICKSON. The purpose is to embody in the bill the standard provision which we have been placing in all legislation involving the conveyance of public lands.

Mr. ECTON. If it is satisfactory to the other Members of the Senate, it is satisfactory to me. The bill simply conveys to the city of Miles City, Mont., for an industry site, 425 acres of land for an amount determined by the Secretary of the Interior. Miles City can expand

only to the east or to the west, due to its location between the river and the foothills. On the east there is a residential district, and there is a veterans' hospital to be constructed there. The city cannot expand to the east. So the only possible direction in which it can expand is to the west. The Department of Agriculture has had a block of land containing 57,000 acres, on the west, and an agreement has been reached that 425 acres can be taken off that block of 57,000 acres and sold to Miles City. It is only grazing land, Mr. President; no one will be injured.

Mr. MORSE. Mr. President, I do not think this is a bill in which the 50 percent of market value provision is at all applicable. I think it is a bill in which 100 percent should be received by the Federal Government. Therefore I object.

The VICE PRESIDENT. The bill will be passed over.

Mr. MORSE subsequently said: Mr. President, I ask unanimous consent to have House bill 3589, Calendar 883, an act to convey to the city of Miles City, State of Montana, certain lands in Custer County, Mont., for use as an industrial site, go to the foot of the calendar. A little while ago, the bill was passed over under a misunderstanding as to what Miles City proposes to pay for the property. Miles City, Mont., proposes to pay the full value for the property. Therefore, in fairness to the Senator from Montana, I think the bill should go to the foot of the calendar.

The VICE PRESIDENT. Without objection, the bill will go to the foot of the calendar.

The clerk will call the next measure on the calendar.

#### CHATTOOGA COUNTY, GA.

The bill (H. R. 807) for the relief of Chattooga County, Ga., was considered, ordered to a third reading, read the third time, and passed.

#### GEORGE M. VAUGHAN

The bill (S. 1737) for the relief of George M. Vaughan, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George M. Vaughan, of Plymouth, Mass., the sum of \$10,000, in full satisfaction of his claim against the United States for compensation for personal injuries and loss of earnings sustained by him, and for reimbursement of hospital, medical, and other expenses incurred by him, as a result of an accident which occurred when the motorcycle which he was riding was struck by a United States Army vehicle, at the intersection of Bradford Road and Sandwich Road, in Plymouth, Mass., on March 12, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

#### BILL PASSED OVER

The bill (H. R. 1689) to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies was announced as next in order.

Mr. HENDRICKSON. Mr. President, I feel that this bill is a type of bill which should be passed over.

The VICE PRESIDENT. The bill will be passed over.

#### LICENSE TAXES IN ALASKA

The bill (H. R. 225) to repeal section 460 of the act of March 3, 1899 (30 Stat. 1336), as amended, providing for certain license taxes in the Territory of Alaska was considered, ordered to a third reading, read the third time, and passed.

#### CONVEYANCE OF CERTAIN MINERAL RIGHTS IN CERTAIN LANDS IN OKLAHOMA

The bill (H. R. 2702) to authorize the Secretary of the Army to convey by quitclaim deed certain mineral rights in certain lands situated in the State of Oklahoma to Alfred A. Drummond and Addie G. Drummond, was considered, ordered to a third reading, read the third time, and passed.

#### ACADIA NATIONAL PARK, MAINE

The bill (H. R. 4026) relating to the exchange of certain private and Federal properties within the authorized boundaries of Acadia National Park, in the State of Maine, and for other purposes, was announced as next in order.

Mr. MORSE. Mr. President, I should like to have an explanation of the bill.

Mr. O'MAHONEY. Mr. President, this is a bill which involves only 5 acres of land now a part of the Acadia National Park, and adjacent to laboratory property.

The bill would authorize the acceptance by the Federal Government from Mr. John D. Rockefeller, Jr., of approximately 58 acres of land within the authorized boundaries of Acadia National Park, in the State of Maine. In exchange therefor the Secretary of the Interior would be authorized to convey to Mr. Rockefeller approximately 5 acres of land. It seemed to the committee that the exchange would inure to the benefit of the United States Government.

Mr. MORSE. Can the Senator from Wyoming assure the Senator from Oregon that the Federal Government would be getting more than it was giving in the exchange?

Mr. O'MAHONEY. Yes.

Mr. SALTONSTALL. Mr. President, the Jackson Memorial Laboratory, if my memory serves me correctly, is a cancer research center, and the whole purpose is eleemosynary.

Mr. O'MAHONEY. There is no question about that.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

#### ISSUANCE AND DELIVERY OF REVENUE BONDS UNDER LAWS OF HAWAII

The bill (H. R. 4688) to ratify and confirm act 4 of the session laws of Hawaii,



1949, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945, was considered, ordered to a third reading, read the third time, and passed.

#### POSTAL RATES ON MAIL TO THE BLIND

The Senate proceeded to consider the bill (S. 1695) to permit the sending of braille writers to or from the blind at the same rates as provided for their transportation for repair purposes.

The VICE PRESIDENT. There is an identical bill in the Committee on Post Office and Civil Service, House bill 3637. Without objection, the committee will be discharged from the further consideration of the bill, and, without objection, the House bill will be substituted for the Senate bill and will now be considered.

There being no objection, the bill (H. R. 3637) to permit the sending of braille writers to or from the blind at the same rates as provided for their transportation for repair purposes was considered, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 1695 is indefinitely postponed.

#### COMMISSION FOR STUDY OF OVERSEAS GOVERNMENTAL ACTIVITIES

The bill (S. 2072) to create a commission to make a study of the administration of overseas activities of the Government and make recommendations to Congress with respect thereto was announced as next in order.

Mr. LUCAS. Mr. President, I should like to have an explanation of the bill, because apparently the study of the activities of the Government would take in the entire world.

Mr. IVES. Mr. President, I could not hear what the Senator said.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. LUCAS. I reserve the right to object.

Mr. McCLELLAN. Mr. President, this bill carries out one of the recommendations of the Hoover Commission with respect to having a study made. The Commission felt that it was not equipped and did not have the time to make the study as it should, and therefore recommended that the commission be created. The Senator from Maryland [Mr. O'CONNOR] was appointed chairman of the subcommittee to consider the bill. He is not present at the moment, and I should like to have the Senator from New York [Mr. IVES], who is also a member of the subcommittee, make an explanation.

Mr. IVES. Mr. President, as is quite generally known, the Government of the United States is represented on over 40 different international organizations of one kind or another. The amount of money we are spending for that purpose alone is in the neighborhood of about \$150,000,000.

On top of that, as we all know, we are spending billions of dollars in various foreign activities in the form of aid of one kind or another. For all these reasons, the Hoover Commission held it most advisable that a commission be estab-

lished for the purpose of checking these matters, surveying them, ascertaining what the facts are, and then making an appropriate report.

The bill now under consideration calls for a commission of 12 members, 4 to be appointed by the President of the United States, 4 by the President of the Senate, and 4 by the Speaker of the House of Representatives. The Commission itself is to be a temporary commission, existing only until April 1, 1951.

The Committee on Expenditures in the Executive Departments, after going very carefully into this matter, not only from the standpoint of the committee as a whole, but particularly through the activities of one of the subcommittees of the committee which has been operating in the field of foreign activities of the Government, in various international agencies and organizations which are involved, decided that this proposal by the Hoover Commission possessed a great deal of merit and should be carried out, particularly in view of the fact that up to the present time the two Houses of Congress have seemed to be operating separately in this field, which is a rather expensive way of performing the duty, and at the same time is not likely to be conducive of the results which may be sought. For this reason the recommendations of the Hoover Commission have been followed, and the bill is before the Senate.

Mr. LUCAS. Mr. President, I should like to ask the Senator if there was any evidence before the committee as to the amount of time which would be taken in performing this task by the commission, composed of four members appointed by the Senate and four by the House, and four representing the executive branch of the Government?

Mr. IVES. There is no evidence as to how much time would be taken, but the Senator from New York would point out that on page 3 of the bill there is a precaution which was inserted by the committee when the bill was reported to the effect that the Commission or any member thereof "may, when authorized by a majority of the Commission, for the purpose of carrying out the provisions of this act, hold such hearings, and sit, and act at such times and places, and take such testimony as the Commission or such member may deem advisable."

Of course, under the terms of the bill the temporary Commission could carry on its activities and go anywhere it chose. We thought it advisable to have this precaution, that neither the whole Commission nor any subcommittee thereof would be permitted to act in any capacity of the nature indicated or in any other capacity without the authorization of a majority of the whole membership.

Therefore it would seem that the activities of the Commission should not in and of themselves require a great deal of work which would take the Commission or any of its members away from the city of Washington. They might possibly go to the city of New York, where the United Nations has its headquarters, but very likely not much beyond that.

On the other hand, the Senator from New York would like to point out that

in view of the fact that the legislative branch of the Government is primarily the policy-making branch, it certainly should have as much to do with the determination of policies and activities where the Federal Government is concerned as does the executive branch. It seems to me most advisable that on any commission or organization of a temporary nature which may be created the Congress of the United States should be definitely represented. Therefore the Senator from New York feels very strongly that this particular proposal does possess a great amount of merit. The Senator from New York has been a member of the subcommittee working in the particular field where international organizations are concerned during the past 2 years, and realizes, I think, probably better than some others, the great need for a survey such as is contemplated by the bill.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. IVES. I yield to the Senator from Illinois.

Mr. LUCAS. Let us take as an example Berlin, or Frankfurt, where our Government has overseas activities; just what would the proposed commission do?

Mr. IVES. The Senator from New York would doubt very much that the commission would go overseas.

Mr. LUCAS. We have overseas activities in Berlin.

Mr. IVES. But the commission would send members of the staff, or a subcommittee of the membership, possibly one person, for that purpose.

Mr. LUCAS. In other words, we the commission could go all over the world.

Mr. IVES. It would go all over the world, and it would be very inadvisable to establish such a commission and restrict its power. A commission like this might find itself folding up at a most critical time when it would need elasticity. The Senator from New York would assume the chairman and members of the commission would have some common sense, so that they would not be indulging in some of the activities which the Senator from New York supposes are in the mind of the distinguished Senator from Illinois.

Mr. LUCAS. I agree with the Senator from New York that that supposition is possibly correct, but from what I have seen since I have been a Member of the House and Senate of the activities of some committees of the Congress of the United States, that does not always hold true.

Mr. IVES. The Senator from New York does not believe the distinguished Senator from Illinois is referring to Senate committees.

Mr. LUCAS. In the past few years, I have known of some Senate committees of this kind, the members of which did not travel about for the purpose of finding exactly what kind of administration and overseas activities were carried on.

Mr. IVES. Mr. President, in answer to that statement, the Senator from New York would like to point out that this is not a congressional joint committee.







81st CONGRESS  
1st Session

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 8 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. McCARTHY to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1 On page 5, line 8, after "Intelligence;" insert "the
- 2 Associate Director, Federal Bureau of Investigation;"

81ST CONGRESS  
1ST SESSION

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. McCARTHY to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 8 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed



# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 8 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENTS

Intended to be proposed by Mr. McCARTHY to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

1       On page 2, line 4, strike out "and".

2       On page 2, line 5, after "General" insert a comma and  
3 the following: "the Director of Central Intelligence, and  
4 the Director, Federal Bureau of Investigation,".

5       On page 3, lines 14 and 15, strike out "the Director  
6 of Central Intelligence,"; and in line 17 strike out ", and  
7 Director, Federal Bureau of Investigation,".

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> Session

# H. R. 1689

## AMENDMENTS

Intended to be proposed by Mr. McCARTHY to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 8 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed







# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 15 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. McMAHON to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: On page 11, between lines 23 and 24, insert a new subsection as follows:

1       (d) Section 4201 of title 18 of the United States Code  
2 is amended to read as follows:

3       “§ 4201. Board of Parole; members; salaries

4       “A Board of Parole, consisting of five members, shall  
5 be appointed by the Attorney General, at a salary of \$15,000  
6 each per annum.”

81ST CONGRESS  
1ST Session

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. McMANON to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 15 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed







# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 21 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENTS

Intended to be proposed by Mr. THYE to the bill (H. R. 1689)  
to increase rates of compensation of the heads and assistant  
heads of executive departments and independent agencies,  
viz:

1       On page 8, line 2, after "United States" insert a comma  
2   and "the members of the Board of Governors of the Federal  
3   Reserve System".

4       On page 9, beginning with the word "members" in  
5   line 19, strike out down to and including the semicolon in  
6   line 20.



---

## AMENDMENTS

---

Intended to be proposed by Mr. THYE to the bill  
(H. R. 1689) to increase rates of compensa-  
tion of the heads and assistant heads of execu-  
tive departments and independent agencies.

---

SEPTEMBER 21 (legislative day, SEPTEMBER 3), 1949  
Ordered to lie on the table and to be printed







81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table, and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. BRIDGES to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1 On page 10, after the semicolon in line 16, insert "the
- 2 Associate Director of the Federal Bureau of Investigation;".

81ST CONGRESS  
1ST Session

# H. R. 1689

---

## AMENDMENT

---

Intended to be proposed by Mr. Bridges to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 22 (Legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. BRIDGES to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1       On page 10, after the semicolon in line 16, insert “the
- 2       Assistant General Counsel of the Treasury for the Bureau of
- 3       Internal Revenue;”.

9-22-49—I



81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

## AMENDMENT

---

Intended to be proposed by Mr. Bridges to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. BRIDGES to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1 On page 9, at the end of line 16, insert "the General
- 2 Counsel for the Department of the Treasury,".

9-22-49—E

---

## AMENDMENT

---

Intended to be proposed by Mr. Bridges to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed



81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. BRIDGES to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1       On page 9, at the end of line 16, insert "the Commis-
- 2   sioner of Internal Revenue,".

9-22-49—H

81ST CONGRESS  
1ST SESSION

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. Bridges to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENTS

Intended to be proposed by Mr. BRIDGES to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

1       On page 7, after the comma in line 17, insert “the  
2   members of the Board of Governors of the Federal Reserve  
3   System,”.

4       On page 9, lines 19 and 20, strike out “members of  
5   the Board of Governors of the Federal Reserve System;”.



81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> Session

# H. R. 1689

---

## AMENDMENTS

---

Intended to be proposed by Mr. BRIDGES to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 22 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed







81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by Mr. JOHNSON of Colorado (for himself, Mr. CONNALLY, Mr. GEORGE, Mr. MAYBANK, Mr. McKELLAR, Mr. McFARLAND, Mr. ROBERTSON, Mr. RUSSELL, Mr. WITHERS, Mr. CHAPMAN, Mr. EASTLAND, Mr. STENNIS, Mr. ELLENDER, Mr. SPARKMAN, Mr. GILLETTE, Mr. HOLLAND, Mr. HOEY, Mr. FULBRIGHT, Mr. BYRD, Mr. TAFT, Mr. FERGUSON, Mr. CAIN, Mr. WHERRY, Mr. BUTLER, Mr. MALONE, Mr. HENDRICKSON, Mr. WATKINS, Mr. JENNER, Mr. SCHOEPEL, Mr. MARTIN, Mr. KEM, Mr. BRICKER, and Mr. TOBEY) to the bill (H. R. 1689), to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: Strike out all after the enacting clause and insert in lieu thereof the following:

1       That the rate of basic compensation of the head of each  
2 executive department and of the Secretary of Defense shall  
3 be \$22,500 per annum.

4       SEC. 2. (a) Section 105 of title 3 of the United States  
5 Code is amended to read as follows:

6       “COMPENSATION OF SECRETARIES AND EXECUTIVE, AD-  
7       MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

8       “§ 105. The President is authorized to fix the compen-  
9 sation of the six administrative assistants authorized to be  
10 appointed under section 106 of this title, of the Executive  
11 Secretary of the National Security Council, and of five other  
12 secretaries or other immediate staff assistants in the White  
13 House Office as follows: Two at rates not exceeding \$20,000  
14 per annum, three at rates not exceeding \$18,000 per annum,  
15 and seven at rates not exceeding \$15,000 per annum.”

16       (b) The first sentence of section 106 of title 3 of the  
17 United States Code is amended to read as follows: “The  
18 President is authorized to appoint not to exceed six admin-  
19 istrative assistants and to fix their compensation in accord-  
20 ance with section 105 of this title.”

21       SEC. 3. (a) The rate of basic compensation of the  
22 Comptroller General of the United States, the Director of  
23 the Bureau of the Budget, the Chairman of the National  
24 Security Resources Board, the Federal Security Admin-  
25 istrator, the Administrator of Veterans' Affairs, the Admin-

1    istrator of General Services, each under secretary of an  
2    executive department, the Assistant to the Attorney Gen-  
3    eral, the Solicitor General of the United States, the First  
4    Assistant Postmaster General, the Chairman of the Munitions  
5    Board, the Chairman of the Research and Development  
6    Board, the Public Printer, the Librarian of Congress, the  
7    Director of Central Intelligence, the Federal Mediation and  
8    Conciliation Director, the Director of the Federal Bureau  
9    of Investigation, the Director of Aeronautical Research of  
10   the National Advisory Committee for Aeronautics, the  
11   members of the Civil Aeronautics Board, the Administrator  
12   of Civil Aeronautics, the members of the Federal Communi-  
13   cations Commission, the members of the Federal Power  
14   Commission, the members of the Federal Trade Commission,  
15   the members of the Interstate Commerce Commission, the  
16   members of the National Labor Relations Board, the mem-  
17   bers of the National Mediation Board, the members of  
18   the Railroad Retirement Board, the members of the Securi-  
19   ties and Exchange Commission, the members of the Board  
20   of Directors of the Tennessee Valley Authority, the mem-  
21   bers of the Civil Service Commission, the members of the  
22   United States Tariff Commission, the General Counsel of  
23   the National Labor Relations Board, the Architect of the  
24   Capitol, each assistant secretary of an executive department  
25   (including the Fiscal Assistant Secretary of the Treasury),



1 each Assistant Attorney General, the Counselor of the De-  
2 partment of State, the Philippine Alien Property Administra-  
3 tor, members of the Board of Directors of the Export-Import  
4 Bank of Washington, members of the Board of Directors of  
5 the Reconstruction Finance Corporation, members of the  
6 United States Maritime Commission, the Governors of  
7 Alaska, Hawaii, the Virgin Islands, and the Panama Canal,  
8 the Commissioner of Internal Revenue, the Commissioner  
9 of Public Roads, Administrator, Rural Electrification Ad-  
10 ministration, the three special assistants to the Secretary of  
11 Defense, shall be at the rate of \$15,000 per annum.

12 (b) The first sentence of section 603 of title 28 of the  
13 United States Code (relating to the salary of the Director  
14 of the Administrative Office of the United States Courts)  
15 is amended to read as follows:

16 "The Director shall receive a salary of \$15,000 a year."

17 SEC. 4. (a) The rate of basic compensation of the  
18 Assistant Comptroller General; the Assistant Director of the  
19 Bureau of the Budget; the Deputy Administrator of Vet-  
20 erans' Affairs; the Assistant Federal Security Administrator;  
21 the Deputy Under Secretaries of State; the Deputy Admin-  
22 istrator of General Services; the Housing Expediter; the  
23 Director of Selective Service; the Assistant Architect of the  
24 Capitol; members of the Displaced Persons Commission;  
25 members of the Indian Claims Commission; members of

1 the War Claims Commission; members of the Philippine  
2 War Damage Commission; the Assistant Solicitor General  
3 of the United States; the Second, Third, and Fourth Assist-  
4 ant Postmasters General; the Associate Federal Mediation  
5 and Conciliation Director; the Deputy Director of Central  
6 Intelligence; the Chief Assistant Librarian of Congress; the  
7 Deputy Public Printer; the Commissioners of the United  
8 States Court of Claims; the Archivist of the United States;  
9 the Administrator, Production and Marketing Administra-  
10 tion; the Director of the Bureau of Prisons; the Commis-  
11 sioner of Public Buildings; the Commissioner of Community  
12 Facilities; the Commissioner of Immigration and Naturali-  
13 zation; the Commissioner for Social Security; the Commis-  
14 sioner of Reclamation; the Chief, Soil Conservation Service;  
15 the Commissioner of Customs; the Commissioner of Nar-  
16 cotics; the Governor of the Farm Credit Administration;  
17 the Chief Forester of the Forest Service; the Administrator  
18 of the Farmers Home Administration; the Manager of the  
19 Federal Crop Insurance Corporation; and the Director of  
20 the Bureau of Federal Supply, shall be at the rate of \$14,000  
21 per annum.

22 (b) The second sentence of section 603 of title 28 of  
23 the United States Code (relating to the compensation of  
24 the Assistant Director of the Administrative Office of the

1 United States Courts) is amended to read as follows: "The  
2 Assistant Director shall receive a salary of \$14,000 a year."

3 (c) The rate of compensation of the Legislative Counsel  
4 of the House of Representatives and of the Legislative Coun-  
5 sel of the Senate shall be \$12,000 per annum.

6 SEC. 5. Except as provided in the first section and in  
7 section 2, nothing contained in this Act shall be construed  
8 to increase by more than 50 per centum the rate of basic  
9 compensation of any office or position, or to increase any  
10 such rate to an amount in excess of \$15,000 per annum.

11 SEC. 6. The applicable appropriations for the fiscal year  
12 ending June 30, 1950, shall be available for payment of the  
13 compensation at the rate established for any position by or  
14 pursuant to this Act unless it is specifically provided that such  
15 appropriation shall not be available for such purpose.

16 SEC. 7. This Act shall take effect on the first day of  
17 the first pay period which begins after the date of enactment  
18 of this Act.





---

# AMENDMENT

---

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by Mr. JOHNSON of Colorado (for himself, Mr. CONNALLY, Mr. GEORGE, Mr. MAYBANK, Mr. MCKELLAR, Mr. MCFARLAND, Mr. ROBERTSON, Mr. RUSSELL, Mr. WITHERS, Mr. CHAPMAN, Mr. EASTLAND, Mr. STENNIS, Mr. ELLENDER, Mr. SPARKMAN, Mr. GILLETTE, Mr. HOLLAND, Mr. HOEY, Mr. FULBRIGHT, Mr. BYRD, Mr. TAYLOR, Mr. FERGUSON, Mr. CAIN, Mr. WHEAT, Mr. BUTLER, Mr. MALONE, Mr. HENDRICKSON, Mr. WATKINS, Mr. JENNER, Mr. SCHOFIELD, Mr. MARTIN, Mr. KEM, Mr. BRICKER, and Mr. TOREY) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENTS

Intended to be proposed by Mr. DOUGLAS to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

1        On page 10, lines 14 and 15, strike out "the General  
2 Counsel of the National Labor Relations Board;".

3        On page 11, after the semicolon in line 4, insert "the  
4 General Counsel of the National Labor Relations Board;".



---

## AMENDMENTS

---

Intended to be proposed by Mr. DOUGLAS to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. CORDON to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

- 1 On page 10, line 10, after the semicolon insert "the
- 2 Administrator of the Bonneville Power Administration;".

9-26-49—E

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. Cordon to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed



# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENTS

Intended to be proposed by Mr. MAYBANK to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:

1       On page 7, at the end of line 23, insert "members (other  
2   than the Chairman) of the Board of Governors of the Federal  
3   Reserve System,".

4       On page 8, line 3, change the period at the end thereof  
5   to a semicolon and add the following: "and the rate of basic  
6   compensation of the Chairman of the Board of Governors of  
7   the Federal Reserve System shall be \$22,500."

8       On page 9, lines 19 and 20, strike out "members of the  
9   Board of Governors of the Federal Reserve System;".

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

## AMENDMENTS

Intended to be proposed by Mr. MAYBANK to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

Mr. LUCAS submitted the following

## AMENDMENTS

Intended to be proposed by Mr. McMAHON to the bill (H. R. 1689) to increase rates of compensation for the heads and assistant heads of executive departments and independent agencies, viz:

1 On page 7, line 13, after "Secretary of Defense", insert  
2 "of the Chairman of the Atomic Energy Commission,".

3 On page 8, line 2, after "of the United States," insert  
4 "members (other than the Chairman) and the General  
5 Manager of the Atomic Energy Commission,".

6 On page 8, lines 21 and 22, strike out the words "Chair-  
7 man of the Atomic Energy Commission."

8 On page 10, lines 13 and 14, strike out the words  
9 "members (other than the Chairman) of the Atomic Energy  
10 Commission;".



81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> Session

# H. R. 1689

## AMENDMENTS

Intended to be proposed by Mr. McManon to the bill (H. R. 1689) to increase rates of compensation for the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949  
Ordered to lie on the table and to be printed

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

**AMENDMENT**

Intended to be proposed by Mr. CORDON to the bill (S. 498)  
to increase rates of compensation of the heads and assistant  
heads of executive departments and independent agencies,  
viz:

- 1 On page 6, after the comma in line 22, insert "the
- 2 Administrator of the Bonneville Power Administration;"

81ST CONGRESS  
1ST Session

S. 498

## AMENDMENT

Intended to be proposed by Mr. Cordon to the bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 26 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed







81ST CONGRESS  
1ST SESSION

# H. R. 1689

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

## AMENDMENT

Intended to be proposed by Mr. McCLELLAN (for himself, Mr. BYRD, Mr. FERGUSON, Mr. STENNIS, and Mr. EASTLAND) to the bill (H. R. 1689) to increase rates of compensation for the heads and assistant heads of executive departments and independent agencies, viz: On page 6, after line 15 of the amendment (in the nature of a substitute), insert a new section as follows:

- 1 SEC. . That, in addition to the budget required to be
- 2 transmitted to Congress by the President under section 201
- 3 of the Budget and Accounting Act, 1921, as amended,
- 4 the President shall transmit to Congress on the first day
- 5 of the second regular session of the Eighty-first Congress
- 6 a balanced budget for the fiscal year ending June 30, 1951,



1 which shall set forth in summary and in detail (1) estimates  
 2 of the receipts of the Government during such fiscal year  
 3 under laws existing at the time such budget is transmitted,  
 4 and (2) estimates of expenditures, not in excess of such  
 5 receipts, for the support of the Government for such fiscal  
 6 year under laws so existing.

81ST CONGRESS  
 1ST SESSION

H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. McCLELLAN  
 (for himself, Mr. Byrd, Mr. Ferguson, Mr.  
 STENNIS, and Mr. EASTLAND) to the bill  
 (H. R. 1689) to increase rates of compensa-  
 tion for the heads and assistant heads of ex-  
 ecutive departments and independent  
 agencies.

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

81ST CONGRESS  
1ST SESSION

# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. McCLELLAN (for himself, Mr. BYRD, Mr. FERGUSON, Mr. STENNIS, and Mr. EASTLAND) to the bill (H. R. 1689) to increase rates of compensation for the heads and assistant heads of executive departments and independent agencies, viz: On page 12, after line 11, insert a new section as follows:

- 1 SEC. . That, in addition to the budget required to be
- 2 transmitted to Congress by the President under section 201
- 3 of the Budget and Accounting Act, 1921, as amended, the
- 4 President shall transmit to Congress on the first day of
- 5 the second regular session of the Eighty-first Congress a
- 6 balanced budget for the fiscal year ending June 30, 1951,
- 7 which shall set forth in summary and in detail (1) estimates

1 of the receipts of the Government during such fiscal year  
 2 under laws existing at the time such budget is transmitted,  
 3 and (2) estimates of expenditures, not in excess of such  
 4 receipts, for the support of the Government for such fiscal  
 5 year under laws so existing.

81<sup>ST</sup> CONGRESS  
 1<sup>ST</sup> SESSION

## H. R. 1689

### AMENDMENT

Intended to be proposed by Mr. McCLELLAN  
 (for himself, Mr. BYRD, Mr. FERGUSON, Mr.  
 STENNIS, and Mr. EASTLAND) to the bill  
 (H. R. 1689) to increase rates of compensa-  
 tion for the heads and assistant heads of ex-  
 ecutive departments and independent  
 agencies.

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed



81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. McCLELLAN to the bill (H. R. 1689) to increase rates of compensation for the heads and assistant heads of executive departments and independent agencies, viz: On page 6, after line 15 of the amendment (in the nature of a substitute), insert a new section as follows:

1        SEC.    . That, in addition to the budget required to be  
2 transmitted to Congress by the President under section 201  
3 of the Budget and Accounting Act, 1921, as amended,  
4 the President shall transmit to Congress on the first day  
5 of the second regular session of the Eighty-first Congress  
6 a balanced budget for the fiscal year ending June 30, 1951,  
7 which shall set forth in summary and in detail (1) estimates  
8 of the receipts of the Government during such fiscal year  
9 under laws existing at the time such budget is transmitted,

1 and (2) estimates of expenditures, not in excess of such  
2 receipts, for the support of the Government for such fiscal  
3 year under laws so existing.

81ST CONGRESS  
1ST Session

H. R. 1689

---

## AMENDMENT

---

Intended to be proposed by Mr. McCLELLAN to the bill (H. R. 1689) to increase rates of compensation for the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. FERGUSON to the amendment (in the nature of a substitute) intended to be proposed by Mr. JOHNSON of Colorado (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: At the end of the substitute insert the following new section:

1        SEC. 8. (A) With a view to bringing the estimated  
2 Federal expenditures within estimated Federal receipts for  
3 the fiscal year ending June 30, 1950, the President is  
4 authorized and directed to make such reductions in the  
5 amounts to be expended by all agencies from any and all ap-  
6 propriations and funds made available prior to the expira-  
7 tion of the first regular session of the Eighty-first Congress,



1 for expenditure in such fiscal year, as will in the aggregate  
2 equal not less than 5 per centum nor more than 10 per  
3 centum of the total amounts estimated for expenditure in  
4 the budget for the fiscal year 1950 by all agencies, as adjusted  
5 to conform with the total amounts estimated for expenditure  
6 under appropriations and funds actually made available prior  
7 to the expiration of such session: *Provided*, That any reduc-  
8 tion in amounts estimated for expenditure brought about as  
9 a result of reductions made by Congress in the aggregate  
10 appropriations and funds made available to any agency be-  
11 low the aggregate of estimates submitted in said budget  
12 (including amendments thereto) for such agency, shall be  
13 used for the purpose of computing (1) the aggregate reduc-  
14 tion required to be made under this section, and (2) the over-  
15 all limitations specified in this section with respect to such  
16 agency; and in carrying out this section the President is  
17 requested to give appropriate consideration to reductions  
18 made by Congress in the appropriations and funds made  
19 available to any agency.

20 (B) As used in this section—

21 (1) The term “appropriations and funds made avail-  
22 able” shall include the amount of any borrowing authority  
23 estimated for in the budget for the fiscal year 1950; and

24 (2) The term “agency” means any executive depart-

1 ment, independent establishment, or corporation which is  
2 an instrumentality of the United States.

3 (C) In order to accomplish the reductions in expendi-  
4 tures required by this section, the President is authorized  
5 to direct any officer in the executive branch of the Govern-  
6 ment to refrain from creating, notwithstanding any other  
7 provision of law, any obligation or commitment which would  
8 require an expenditure during the fiscal year 1950, under  
9 any appropriation, fund, contract authorization, or borrow-  
10 ing authority over which such officer exercises administra-  
11 tive control, in such amounts as he may deem necessary.  
12 No such officer shall create any obligation or commitment  
13 under any borrowing authority which would require an  
14 expenditure during the fiscal year 1950 in excess of any  
15 estimate included in the budget (or in excess of any estimate  
16 under any authority included in any act of Congress enacted  
17 after the submission of the budget for the fiscal year 1950)  
18 with respect to such obligation or commitment for such  
19 fiscal year or in excess of any amount established by direc-  
20 tion of the President under the authority contained in this  
21 section; except that the President is authorized to waive  
22 the prohibition contained in this sentence in individual cases  
23 upon the happening of some extraordinary emergency or  
24 unusual circumstance.

25 (D) Such reductions shall be made in a manner calcu-

lated to bring about the greatest economy in expenditure consistent with the efficient operation of the Government.

(E) No reduction of expenditures required herein shall have the effect of reducing by more than 20 per centum the estimated expenditures by any agency from appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress.

(F) The President shall cause (a) the total amounts estimated for expenditure in the fiscal year 1950 (adjusted as provided in subsection A), (b) the amount of the reduction directed by him in obligations or commitments (as provided in subsection B), and (c) the amount of the reduction in each appropriation or fund account, to be certified to the Secretary of the Treasury, and shall make a detailed quarterly report thereon to the Congress within fifteen days after the expiration of each calendar quarter during such fiscal year. The amounts so certified shall not be expended, or, in the case of contract authorizations and borrowing authority, the authority shall not be exercised to the extent of the reduction. The President shall also include in the quarterly report to Congress the actual figures showing the number of Federal employees at the beginning of the quarter and the estimated number of Federal employees at the close of the quarter.





---

## AMENDMENT

---

Intended to be proposed by Mr. FERGUSON to the amendment (in the nature of a substitute) intended to be proposed by Mr. JOHNSON of Colorado (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 27 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed







# Senate

WEDNESDAY, SEPTEMBER 28, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, all the ways of our need lead to Thee; our deepest cravings but drive us to Thy everlasting arms. Thou alone art our refuge and our strength.

Help us to command this new day, meeting its joys with gratitude, its difficulties with fortitude, its doubts with faith. Direct our steps. Guard us from error. Deliver us from all evil. Help us to sit where others sit, seeing life's tangled skein through the eyes of those less fortunate than ourselves. So make us faithful ministers of this stricken generation. We ask it in the dear Redeemer's name. Amen.

## THE JOURNAL

On request of Mr. McKELLAR, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, September 27, 1949, was dispensed with.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes, in which it requested the concurrence of the Senate.

## CALL OF THE ROLL

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	George	Long
Anderson	Gillette	Lucas
Bridges	Green	McCarthy
Butler	Gurney	McClellan
Byrd	Hayden	McFarland
Cain	Hendrickson	McKellar
Capehart	Hickenlooper	McMahon
Chapman	Hill	Magnuson
Chavez	Holland	Malone
Connally	Humphrey	Martin
Cordon	Ives	Maybank
Donnell	Jenner	Miller
Douglas	Johnson, Colo.	Millikin
Downey	Johnson, Tex.	Morse
Eastland	Johnston, S. C.	Mundt
Ecton	Kem	Murray
Ellender	Kerr	Myers
Ferguson	Kilgore	Neely
Flanders	Knowland	O'Connor
Frear	Langer	O'Mahoney
Fulbright	Leahy	Pepper

Reed  
Robertson  
Russell  
Saltonstall  
Schoeppel  
Smith, Maine  
Sparkman

Stennis  
Taylor  
Thomas, Okla.  
Thomas, Utah  
Thye  
Tobey  
Watkins

Wherry  
Wiley  
Williams  
Withers  
Young

Mr. MYERS. I announce that the Senator from North Carolina [Mr. GRAHAM] is absent by leave of the Senate.

The Senator from North Carolina [Mr. HOEY] is absent on public business.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. McCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. DULLES], the Senator from Massachusetts [Mr. LODGE], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The Senator from Ohio [Mr. TAFT] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

## TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, present petitions and memorials, and incorporate routine matters into the Record, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

## EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

## LAWS ENACTED BY LEGISLATURE OF PUERTO RICO

A letter from the Secretary of the Interior, transmitting, pursuant to law, copies of acts of the Ninth Special Session of the Sixteenth Legislature of Puerto Rico, December 20 to December 21, 1948 (with an accompanying document); to the Committee on Interior and Insular Affairs.

## REPORT ON TRANSPORTATION FURNISHED CERTAIN GOVERNMENT AND OTHER PERSONNEL

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on transportation furnished certain Government and other personnel, for the period July 1, 1948, through June 30, 1949 (with an accompanying report); to the Committee on Armed Services.

## REPORT ON AGRICULTURAL EXPERIMENT STATIONS

A letter from the Assistant Secretary of Agriculture, transmitting a printed copy of

a report on agricultural experiment stations for the fiscal year ended June 30, 1948, to be substituted for the typewritten copy transmitted to the Senate on January 3, 1949 (with an accompanying report); to the Committee on Agriculture and Forestry.

## EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

## REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 5170. A bill to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation; without amendment (Rept. No. 1110); and

H. R. 5184. A bill to approve contracts negotiated with the Belle Fourche Irrigation District, the Deaver Irrigation District, the Westland Irrigation District, the Stanfield Irrigation District, the Vale Oregon Irrigation District, and the Prosser Irrigation District, to authorize their execution, and for other purposes; with an amendment (Rept. No. 1111).

By Mr. MILLIKIN, from the Committee on Interior and Insular Affairs:

S. 2364. A bill to provide for the utilization as a national cemetery of surplus Army Department-owned military real property at Fort Logan, Colo.; with an amendment (Rept. No. 1112).

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOWNEY:

S. 2607. A bill for the relief of Jeanette Cristopoulas; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2608. A bill for the relief of Dr. Kun Ken Hu; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 2609. A bill to provide a system for the treatment and rehabilitation of youth offenders, to improve the administration of criminal justice, and for other purposes; to the Committee on the Judiciary.

By Mr. IVES:

S. 2610. A bill for the relief of Szewel and Dwjra Tukaczynski; and

S. 2611. A bill for the relief of Roland Roger Alfred Boccia, also known as Roland Barbera; to the Committee on the Judiciary.

By Mr. HILL (for himself and Mr. SPARKMAN):

S. 2612. A bill to provide that the Veterans' Administration hospital being constructed at Birmingham, Ala., shall be named in honor



of Gen. William Crawford Gorgas; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 2613. A bill for the relief of Magnanlal N. Patel and Khushal Dahya Patel;

S. 2614. A bill for the relief of O. O. Haugen; and

S. 2615. A bill for the relief of Abdul Barick; to the Committee on the Judiciary.

#### INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON BANKING AND CURRENCY

Mr. MAYBANK submitted the following resolution (S. Res. 175), which was referred to the Committee on Rules and Administration:

*Resolved*, That the Committee on Banking and Currency hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, \$10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

#### STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES—AMENDMENT

Mr. GILLETTE submitted an amendment intended to be proposed by him to the bill (S. 2522) to stabilize prices of agricultural commodities, which was ordered to lie on the table and to be printed.

#### INCREASED COMPENSATION OF CERTAIN GOVERNMENT OFFICIALS—AMENDMENTS

Mr. MAYBANK. Mr. President, I submit amendments intended to be proposed by me to the amendment in the nature of a substitute intended to be proposed by the Senator from Colorado [Mr. JOHNSON] (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and I ask unanimous consent that the amendments be printed and printed in the RECORD, together with a resolution adopted by the Federal Advisory Council of the Federal Reserve System and an editorial from the Washington (D. C.) Post of Thursday, September 22, 1949.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table, and, without objection, the amendments, together with the resolution and editorial, will be printed in the RECORD. The Chair hears no objection.

The amendments submitted by Mr. MAYBANK are as follows:

On page 2, line 1, after the word "That", insert "(a)."

On page 2, line 2, strike out "and" and insert in lieu thereof a comma; and after "Secretary of Defense", insert "and of the Chairman of the Board of Governors of the Federal Reserve System."

On page 2, between lines 3 and 4, insert a new subsection as follows:

"(b) The rate of basic compensation of the members (other than the Chairman) of the Board of Governors of the Federal Reserve System shall be \$20,000 per annum."

The resolution and editorial presented by Mr. MAYBANK are as follows:

#### RESOLUTION OF THE FEDERAL ADVISORY COUNCIL OF THE FEDERAL RESERVE SYSTEM WITH RESPECT TO H. R. 1689, SETTING NEW SALARY SCHEDULES FOR VARIOUS GOVERNMENT OFFICIALS

The Federal Reserve System is this country's central bank. Its decisions are of grave

importance for the Nation's well-being. They influence the trend of business and employment.

The Board of Governors of the Reserve System is the top command of the System. It should be manned by the ablest and best-qualified people in the country. When the System was set up, the salaries of the Board were placed at the same level as members of the Cabinet and that relationship has been continued until the present.

H. R. 1689 would break this sound tradition by treating the Board simply as a minor regulatory agency. This would lower the prestige of the Board and make it much more difficult to persuade able men to be its members. It would impair its influence upon banks and the public and cripple it for its essential service to the Nation.

We recommend that members of the Board be placed on a higher salary level, preferably \$20,000.

[From the Washington (D. C.) Post of September 22, 1949]

#### EXECUTIVE SALARIES

Interspersed among the long-needed salary boosts for top Government officials in the executive pay bill now before the Senate are several damaging inconsistencies. Perhaps the most glaring of these concern members of the Board of Governors of the Federal Reserve System and the Atomic Energy Commission. Persons in these important positions would be given a sort of demotion to fourth rank in the Federal pay scale.

Under the new schedule approved by the House, it is proposed to raise the salary of Federal Reserve Governors from \$15,000 to \$16,000. The fallacy in this is that at \$15,000 the Governors are on a par with Cabinet officers, their salaries having been maintained at that level as a matter of historical policy; whereas in the new scale, which provides large raises for members of many regulatory agencies, Federal Reserve Governors would be dropped in rank to that of the Architect of the Capitol. Certainly this is a slight to the position of the men who are charged with such tremendous responsibility for the functioning of the banking system. Moreover, it is a foolish limitation, since the salaries of the Governors are paid not by the Government but by member banks of the Federal Reserve System.

A similar consideration applies to the Atomic Energy Commission. Members other than the Chairman now receive \$15,000, and the Chairman is paid \$17,500. These salaries are well up the Federal scale. Yet under the bill the chairman would be elevated merely to \$18,000 and the other members to \$16,000. This anomaly shows a warped perspective in Congress, for the vast atomic-energy project is the Government's largest single enterprise and the men who preside over it are responsible for the expenditure of more money than most Federal departments.

Senator MAYBANK plans today to ask the Banking and Currency Committee to sponsor an amendment raising the salaries of Federal Reserve Governors to \$20,000. Such a salary is commensurate with the dignity of these positions and deserves full congressional support. We hope that someone with a like appreciation of values will come to the rescue of the Atomic Energy Commission.

#### HOUSE BILL PLACED ON THE CALENDAR

The bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes, was read twice by its title, and ordered to be placed on the calendar.

#### BRITISH WELCOME FULBRIGHT STUDENTS—ARTICLE BY MELITA SPRAGGS

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "British Welcome Fulbright Students," written by Melita Spraggs, staff correspondent of the Christian Science Monitor, and published in the Christian Science Monitor of recent date, which appears in the Appendix.]

#### SOCIALISM—EDITORIAL BY RUFUS WOODS

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an editorial on the subject of socialism, written by Rufus Woods, editor of the Wenatchee (Wash.) Daily World, which appears in the Appendix.]

#### THE GOLDEN RULE TO INFLATION—ARTICLE BY WALTER WINCHELL

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an article entitled "The Golden Road to Inflation," written by Walter Winchell and published in the New York Daily Mirror of September 22, 1949, which appears in the Appendix.]

#### REAL FEDERAL ECONOMIES CALL FOR PUBLIC SUPPORT—ARTICLE BY HERMAN A. LOWE

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "Real Federal Economies Call for Public Support," written by Herman A. Lowe and published in the Philadelphia Inquirer of September 10, 1949, which appears in the Appendix.]

#### FREEDOM AND THE FARMER—ADDRESS BY SENATOR TAFT

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a radio address entitled "Freedom and the Farmer," delivered by Senator TAFT on September 16, 1949, which appears in the Appendix.]

#### CORRECTION OF THE RECORD

Mr. HOLLAND. Mr. President, I should like to have the RECORD of September 27 corrected, on page 13611, in the middle column, in a statement I made with reference to House bill 4029. The statement I made should read:

Mr. President, the area within the 1944 boundaries, which is what is referred to in this particular bill and in the amended bill, is much smaller than the area within the original boundaries, and amounts to something more than a million acres. The State of Florida granted by gift approximately 450,000 acres of land and over 500,000 acres of water, and left, as I recall, approximately 400,000 acres of land for acquisition, but gave to the Federal Government \$2,000,000 with which to acquire that land.

The VICE PRESIDENT. The correction will be made.

#### NOTICE OF HEARING ON NOMINATION OF JAMES M. CARTER TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF CALIFORNIA

Mr. KILGORE. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, October 5, 1949, at 10 a. m., in room 424, Senate Office Building, upon the nomination of James M. Carter, of California, to be United States district judge for the southern district of California, to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.



During all the time when I was Governor of the State, he was a colonel on my staff; and one of his most prized possessions was his certificate of appointment as colonel, which he hung in the various offices he occupied in the different jobs for which he was selected. North Dakota citizens were very proud, indeed, of Mr. O'Connor and the fine record he made. He was perhaps the outstanding Democrat in our State. Whenever North Dakota citizens needed help in Washington or in California, J. F. T. O'Connor was the fireman who came to the rescue. He was able, honest, hardworking, and one of the most brilliant debaters in the Nation, an outstanding Comptroller of the Currency, a merciful judge, and an affectionate friend.

The State of North Dakota, the State of California, and the Nation will miss him indeed.

#### INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of House bill 1689, to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 1689) to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and to insert:

That the rate of basic compensation of the head of each executive department, of the Secretary of Defense, and of the Administrator for Economic Cooperation shall be \$25,000 per annum.

SEC. 2. (a) The rate of basic compensation of the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, the Housing and Home Finance Administrator, each under secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, and the First Assistant Postmaster General shall be \$20,000 per annum.

(b) Section 105 of title 3 of the United States Code is amended to read as follows:

"COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$16,000 per annum."

(c) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: "The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."

SEC. 3. (a) The rate of basic compensation

of the Chairman of the Atomic Energy Commission, the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Deputy Administrator for Economic Cooperation, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Deputy Administrator of Veterans' Affairs, the Comptroller of the Currency, and the Chairman of the Board of Directors of the Reconstruction Finance Corporation shall be \$18,000 per annum.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$16,000 a year."

(c) The rate of basic compensation of the Public Printer, the Librarian of Congress, the members (other than the Chairman) of the Council of Economic Advisers, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Assistant Federal Security Administrator, Director, Federal Bureau of Investigation, and the Deputy Under Secretaries of State shall be \$17,500 per annum.

SEC. 4. The rate of basic compensation of the members of the Board of Governors of the Federal Reserve System; members of the Home Loan Bank Board; the Public Housing Commissioner; the Federal Housing Commissioner; the Director of Aeronautical Research of the National Advisory Committee for Aeronautics; members of the Civil Aeronautics Board; the Chairman of the Board of Directors of the Export-Import Bank of Washington; members of the Federal Communications Commission; members of the Board of Directors of the Federal Deposit Insurance Corporation; members of the Federal Power Commission; members of the Federal Trade Commission; members of the Interstate Commerce Commission; members of the National Labor Relations Board; members of the National Mediation Board; members of the Railroad Retirement Board; members of the Securities and Exchange Commission; members of the Board of Directors of the Tennessee Valley Authority; members of the Civil Service Commission; the Chairman of the United States Maritime Commission; members of the United States Tariff Commission; members (other than the Chairman) of the Atomic Energy Commission; the General Counsel of the National Labor Relations Board; the Architect of the Capitol; and the Deputy Administrator of General Services shall be at the rate of \$16,000 per annum.

SEC. 5. (a) The rate of basic compensation of the Housing Expediter; the Director of Selective Service; the Assistant Architect of the Capitol; members of the Displaced Persons Commission; members of the Indian Claims Commission; members of the War Claims Commission; members of the Philippine War Damage Commission; each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury); each Assistant Attorney General; the Assistant Solicitor General of the United States; the Counselor of the Department of State; the Second, Third, and Fourth Assistant Postmasters General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Philippine Alien Property Administrator; the Chief Assistant Librarian of Congress; the Deputy Public Printer; members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington; members (other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation; members (other than the Chairman) of the United States Maritime Commission; the Commissioners of the United States Court of Claims; and of the Governors of Alaska,

Hawaii, the Virgin Islands, and the Panama Canal shall be at the rate of \$15,000 per annum.

(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$15,000 a year."

(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

SEC. 6. In any case in which the chairman or other head of a board or commission and the other members of such board or commission receive the same rate of basic compensation under this act, and such chairman or other head has important duties or responsibilities not imposed upon other members of such board or commission, the President is authorized in his discretion to fix the compensation of such chairman or other head at the rate of \$18,000 per annum.

SEC. 7. The applicable appropriation for the fiscal year ending June 30, 1950, shall be available for payment of compensation at the rate established for any position by or pursuant to this act unless it is specifically provided that such appropriation shall not be available for such purpose.

SEC. 8. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this act.

Mr. LONG. Mr. President, for the past 5 months the Pay and Classification Subcommittee of the Committee on Post Office and Civil Service has been studying the need for higher salaries among the top officials of the Federal Government. The committee has found that there were serious inequities and great inadequacies in the salaries paid at the top level to those charged with the responsibility of managing and operating our Federal Government.

Congress has been realistic with those employees who are in the lower brackets. The increase in their cost of living has been recognized, and Congress has wisely advanced their salaries. Our legislative employees have had a cost-of-living adjustment amounting to approximately a 35-percent increase. The average postal worker has had an increase of approximately 64 percent, and other employees in the classified service have had similar pay raises. These increases were entirely justified and necessary as a result of the increased cost of living and the higher income taxes.

By contrast, the officials of the President's Cabinet have not had a pay raise since 1925. The increase in the cost of living as well as the increase in income taxes have left them with a net purchasing power equal to less than one-half of what their salary would command two decades ago. It is no more than ordinary justice that these salaries should be restored to the same relative level which Congress approved when it provided for them in 1925.

It is in the interest of our Government to provide salaries adequate to attract properly qualified personnel to positions of the highest importance, requiring the utmost of managerial skill and efficiency. The President of the United States has frequently complained that he found it most difficult to retain the best Federal employees in important positions; and, upon resignation of important officials



who accepted more lucrative private employment, our Chief Executive finds it most difficult to find qualified replacements.

Today we are confronted with glaring illustrations of this shortcoming. Congress created the position of Chairman of the National Security Resources Board and provided a salary of \$14,000. The President of the United States recommended a man for that position, a former United States Senator who enjoyed the respect and esteem of the Members of this body. Yet the Committee on Armed Services refused to recommend confirmation of this appointment upon the basis that the qualification to serve as a United States Senator did not indicate that a person had the special qualifications necessary for a position of such transcendent importance. The result is that this extremely important position of Chairman of the National Security Resources Board, entrusted with the task of mobilizing the resources of America for its own defense and salvation, goes begging.

On the other hand, we have another extremely important position, requiring a man of high patriotism and proven ability in the position of Chairman of the Munitions Board, a position paying \$14,000. The President of the United States on this occasion sought a man whose qualifications were unchallenged, a vice president of the United States Steel Corp., serving at a salary of \$70,000 per year, and worth every penny of it, as a management official of that great corporation. The President of the United States offered that man a position of vastly greater importance and responsibility at a salary so meager that, because the appointee was not of unlimited means, and because he needed a substantial income for the support of himself and his family, it was necessary for the appointee to retain his connection with that great corporation. And so Mr. Ilgenfritz, without any reflection on his ability or integrity, was refused confirmation by the Senate. No one expects to pay for the services of such a man what that man could earn from private employment. There are few, if any, members of the President's Cabinet who would not be qualified to draw more than \$25,000 from the proper private employment. Yet, the caliber of men to be expected for Cabinet positions should be at least equal to that of the greatest industrial and professional leaders of America; and we find those men paid a mere fraction of the income of outstanding businessmen. Far from their having been raised in pay as their responsibilities grew and their duties were enlarged, and as the Government took on vast additional tasks and responsibilities, many of these men have found that their salaries, after taxes, have less than half of their former purchasing power.

The United States suffers from this failure to pay for proper management. Any good business expects to pay whatever is required for the most efficient management. As the President has already pointed out, one large corporation pays 15 of its executives more than the bill proposes to pay the entire 239 em-

ployees charged with the management of our vast Government. The bill presents what the committee considers the barest minimum to attract men of proven ability into the important positions of the Federal service.

As presented by the committee, the bill would cost \$1,200,000, and, after allowing for the income taxes to be collected by the Government, the net Federal expenditure would be less than \$800,000. It should immediately assist the President in filling several important vacancies with men of proven ability who otherwise might not be available. It should also guarantee the retention of the best-qualified Federal executives in their present positions. It should result in steady improvement in efficiency and reduction of governmental cost. This expense of \$1,200,000 is small for the benefits to be expected. Compare it to the \$600,000,000 increase in post-office pay alone since 1945. At one-half of 1 percent of the pay increases for the Post Office Department alone, and approximately two-tenths of 1 percent of the pay increases for the Federal service since 1939, this bill should assure enormous improvements in efficiency over a period of time and steady reduction of governmental cost.

The pay herein proposed would suggest a top bracket of \$25,000 for members of the President's Cabinet, a second bracket of \$20,000 for under secretaries and persons of similar rank and responsibilities, with lesser brackets for subordinate positions down to the pay of \$15,000.

It is proposed that a new Classification Act now pending on the calendar would fix the top pay for the classified service at \$15,000. In view of the relative difficulty of arriving at the salary for each position in the classified service, the committee has recommended that Congress should not attempt to fix the salary for any classified position where the salary would be \$15,000 or less. This has been done in the effort to avoid the endless confusion and bickering and the consideration of additional positions which might be cast upon Congress by an attempt to adjust greater numbers of salaries within bureaus. Thus, the committee has recommended the deletion of a large number of positions which would command a salary of \$15,000, in the House bill, feeling that these positions should be cared for in the proposed classification bill. It is the understanding and agreement within the committee that, if no classification bill is passed, the Senate conferees will agree to include the positions recommended by the House in the bill as passed by that body.

The committee would also emphasize that a steady improvement of the caliber of management officials within the Federal service should do more than save money for the taxpayer. It should make working conditions more pleasant within the Federal service generally. Employees invariably prefer to work for the more efficient, better-qualified supervisors and department heads. Above all, the taxpayer, who is demanding more efficient government, can expect to receive far better service than he now obtains. The

pay roll of the United States now stands at approximately \$6,000,000,000 per year. The committee proposes to invest in better management a gross of \$1,200,000, which, after allowing for taxes, would be a net cost of about \$800,000. This would be approximately one-hundredth of 1 percent, or, to put it a different way, approximately \$1 for better management on every \$10,000 spent in Federal pay. The investment should result in substantial improvements in efficiency.

Mr. KEM. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. KEM. I should like to ask the Senator how soon we may expect this better management if the bill is passed.

Mr. LONG. I am coming to that at this point. I have some examples to cite. We have already had some examples of ways in which Cabinet officers can economize. Even the slightest improvement in procedure or administration would repay this investment a hundredfold. Less than 1 month ago Mr. Louis Johnson, Secretary of Defense, put into effect an economy measure which will save the Federal Government every day of the year more money than this entire top-pay bill would cost. If, by obtaining better officials in positions of highest responsibility, one other man could be obtained who would effect 1 percent of the savings Mr. Louis Johnson has recently put into effect, the bill would have paid for itself three times over.

Mr. KEM. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. KEM. Is the Senator suggesting that a change be made in the office of Secretary of Defense if the bill is passed?

Mr. LONG. No. I am suggesting that if we could find men in any of the other positions in the Federal Government who could put into effect a saving of 1 percent of what Mr. Louis Johnson, Secretary of Defense, has saved, 1 percent of the saving which Mr. Johnson has already made would pay for this top-pay bill three times over, assuming that men of better ability and qualifications could save in other departments as Mr. Johnson has saved in the armed services.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS. Do I correctly understand that the Senator is suggesting that we place at the head of the other executive agencies men more nearly on a par with Secretary Johnson, rather than the ones we now have?

Mr. LONG. If we could obtain in any of the major Federal agencies men of better managerial efficiency who could economize in government by better management, this bill should pay for itself a thousand times over.

Mr. KEM. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KEM. Is the Senator in a position to assure us that such changes will be made within a reasonable time?

Mr. LONG. I have no way of assuring that. I am not making the appointments. But certainly I suggest that a man with the qualifications of Mr. Ilgen-



fritz, who receives \$70,000 a year from the United States Steel Corp., must have proved that he could save the United States Steel Corp. at least \$70,000, or a greater amount.

Mr. KEM. The Senator is not proposing that the salary of the position to which Mr. Ilgenfritz was appointed be made \$70,000 a year; is he?

Mr. LONG. Not at all. I do not think he would have expected \$70,000 a year if he had gone to work for the Federal Government.

Mr. KEM. Has the Senator any information as to what salary would have lured Mr. Ilgenfritz into the public service?

Mr. LONG. Certainly not. I cited him merely as an example. The nomination of one man who received \$15,000 as a United States Senator was rejected by the Senate because the Senate did not believe he had the special qualifications necessary for the position to which he had been appointed. On the other hand the nomination of a man whose qualifications no one doubted, was also rejected because he was a man of proven ability, and could not accept a \$14,000 job when that was the only compensation he would receive. I do not say this bill would make it possible for that man to serve the Federal Government, but I say that if we could pay a salary as high as \$18,000 or \$20,000, we should be able to get a much better man than we could by paying a salary of \$14,000.

Mr. FLANDERS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Louisiana yield to the Senator from Vermont?

Mr. LONG. I yield.

Mr. FLANDERS. Would not the Senator think it reasonable that if the top executive pay bill is passed, the burden will then be more nearly on the Senate, when considering the confirmation of nominations, to determine whether the nominee has the necessary capacity, than is now the case? Is it not true that at the present time the Chief Executive is more or less confined to picking either a man of wealth or someone of mediocre ability who is used to a small salary? Recognizing that as one of the facts of life, has not the Senate tended more or less automatically to confirm nominations, except in special cases? Would not provision for reasonable salaries give the Senate the right and the duty to examine more carefully the qualifications of the nominees than has been the case in the past?

Mr. LONG. I would say so. I would certainly agree with the Senator from Vermont.

Furthermore, Mr. President, my impression, after having served less than 1 year in the Senate, is that the least contest in regard to nominations arises in connection with Presidential appointments of men who are relatively unknown. But a man who has done something in the course of his lifetime, usually has provoked some controversy in the past, and the nomination of such a person seems to provoke controversy in the Senate. Of course, it is possible to

find many men who will prove their ability after they serve in the particular jobs to which they may be appointed; but it seems to me that if what is needed is a man qualified to handle several billion dollars of the Federal Government's money—citing that merely as an example—we should obtain the services of a man of proved ability, rather than the services of an unproved man. I am sure the Federal service has in it a number of men who have proved their qualifications and ability while they have served in their Government jobs. But when it comes to obtaining the services of men who already have proved their qualifications, I do not think it is possible to get such men to serve the Government unless they happen to have independent incomes which make it possible for them to sacrifice their ordinary salaries while they are working for the Government.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. LONG. I am happy to yield.

Mr. CAIN. Is the Senator from Louisiana in a position to inform the Senate concerning the number of positions for which salary increases will be granted under the terms of the bill, and which are subject to confirmation by the Senate? I ask that question in keeping with the question previously asked by the distinguished junior Senator from Vermont [Mr. FLANDERS], because it is my understanding that only a handful of the total number of Government offices we are discussing at this time involve nominations which ever will come before the Senate for confirmation.

Mr. LONG. It is my guess that at least half or two-thirds of the positions for which the salaries are to be raised under the terms of the pending measure involve nominations which will come before the Senate, for confirmation, although I cannot be sure of that.

Mr. CAIN. I thank the Senator.

Mr. LONG. The Senator will see a list of the positions in the hearings.

Mr. FLANDERS. Mr. President, if the Senator will permit an interruption, let me say that I asked to have that question investigated; and I find that under the bill now before the Senate, practically all the positions involve nominations which will come before the Senate for confirmation. That is true of almost 100 percent of the positions covered by the bill; I think it is true of 100 percent of them, in fact.

Mr. LONG. Mr. President, offhand I can think of very few of them which would not involve nominations which would come before the Senate for confirmation.

In conclusion, Mr. President, I desire to point out that the Subcommittee on Pay and Classification began consideration of the various pay bills before it early in May. From then until these bills were reported to the Senate last month, the committee, in addition to the extensive hearings which it held, had many, many executive sessions, during which it considered all the bills now on the calendar, each in relation to the other. We conscientiously endeavored to present to the Senate a basic structure

which we believed to be sound and in the best interests of efficient government, beginning with the top executive and going down the ladder to the most menial task in the Federal service. Each of these bills—the one now before us, and the reclassification bill and the postal bill, which are to be considered subsequently—complements the others.

In the course of our consideration we have sought and obtained the best advice available to us. The end result of our labors may not be perfect, and certainly I would not claim perfection for it. On the other hand, I think the Senate should know that the committee has reported to it three bills which it believes are of transcendent importance to an able management and a loyal performance of the functions of our vast Federal establishment.

Mr. CAIN. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

9. (a) The compensation of Senators, Representatives in Congress (other than the Speaker), Delegates from the Territories, and the Resident Commissioner from Puerto Rico, elected or appointed after the date of the enactment of this act, shall be the same as the compensation of the heads of the executive departments.

(b) Subsection (b) of section 601 of the Legislative Reorganization Act of 1946 shall not apply in the case of any person entitled to receive compensation under the provisions of subsection (a).

The PRESIDING OFFICER. The Chair asks the Senator from Washington whether he wishes the amendment to be considered as the pending question for action at this time?

Mr. CAIN. It is my understanding that the committee amendments should first be acted upon.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. LONG. There is a substitute to be brought before the Senate, in the form of an amendment to be offered by approximately 30 Senators. In view of the fact there is a strong likelihood that the substitute will be adopted, I suggest to the Senator from Washington that he offer his amendment as an amendment to the substitute when it comes before the Senate.

Mr. CAIN. I shall be pleased to be guided by the Senator's suggestion.

Mr. FLANDERS. Mr. President, I should like to suggest that it may be that the substitute will not be adopted. Certainly it will not be adopted on the basis of any reason, logic, or analysis.

Mr. LONG. I suggest that the Senator from Washington offer his amendment both to the bill and to the substitute. Otherwise, under the rules, the Senator from Washington would be precluded from offering his amendment to the bill itself, if the substitute were to fail of adoption.

The PRESIDING OFFICER. The question is on agreeing to the amend-



ment of the Senator from Washington [Mr. CAIN].

Mr. CAIN. Mr. President, if it is permissible, I would submit the amendment at this time, to have it lie on the table and be called up later as an amendment to either of the measures then before the Senate.

The PRESIDING OFFICER. That is permissible; and in the meantime the amendment will lie on the table.

Mr. CAIN. I thank the Chair.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. I have at the desk an amendment, which I propose to offer. My thought was that I would wait until the general substitute amendment was acted upon; and then, if it was adopted, I would inquire whether it was subject to amendment; and, if so, I would offer my amendment to the substitute.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that if the substitute is adopted, that will preclude the offering of any further amendments to the bill.

Mr. McCLELLAN. Then my amendment would have to be offered to the substitute while the substitute was pending. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. McCLELLAN. Let me inquire, further, whether the substitute is now the pending question.

The PRESIDING OFFICER. The pending question is on agreeing to the committee substitute, but not the substitute referred to by the Senator from Louisiana.

Mr. McCLELLAN. Mr. President, in order further to clarify the parliamentary situation, let me make a further inquiry: If the amendment in the nature of a substitute, which is not the committee amendment, is offered in lieu of the committee amendment, which is the Senate bill, then when the amendment in the nature of a substitute is offered, it will be proper, will it not, to consider amendments to it, and at that time my amendment would be in order?

The PRESIDING OFFICER. It would be proper; yes. But once the substitute is finally adopted, the bill will not be open to further amendment.

Mr. McCLELLAN. I thank the Chair.

Mr. CAIN. Mr. President, the junior Senator from Washington is strongly inclined to vote against the pending measure, but he is satisfied that the amendment which has just been offered will immeasurably improve House bill 1689.

This amendment, Mr. President, has been designed to accomplish two things:

(a) It provides that compensation shall be the same as between the heads of executive departments and Members of the Congress.

(b) It seeks to eliminate the \$2,500 tax-exempt expense money which presently is provided to every Senator and Representative in Congress.

Mr. President, I have no personal interest of any kind in securing an increase in my compensation as a Senator at this time. I think this is not the time to grant

increases in the annual compensation for the heads and assistant heads in departments and independent agencies or for Members of the Congress. It seems unmistakably clear to me that we shall do our Government and our country a disservice if we agree with the President that executive branch salaries ought to be materially increased at this period. We can only provide such increases from money which our Public Treasury simply does not possess. Should we grant the proposed increases, we shall only further cheapen the value of our dollar. If the pending measure is approved, the President and the Congress will be in no position intelligently to argue against a fourth round of wage increases for all of industry. Our collective mission today ought to be that of tightening our spending belt and searching for ways through which a greater purchasing power can be restored to our currency. If the measure before the Senate is approved, we shall be giving a green light to indulgence, to profligate spending, and to more and larger raids on the Public Treasury.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CAIN. My prepared statement, I may suggest to my friend, the majority leader, is quite brief, and, as I am concerned with its continuity, I should like to finish without interruption.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. JOHNSTON of South Carolina. There is just one question, though, in relation to what the Senator has already said, which I should like to have cleared up. Did the Senator make the statement that this amendment proposes to increase in any way the amounts set forth in the House bill or in the amendments to the Senate bill?

Mr. CAIN. I am speaking to my amendment, which if it is added to a bill and the bill is passed by the Congress and signed by the President, will result in an increase in the compensation of Members of Congress equal to the increase granted to executive heads of the Government departments.

It so happens, Mr. President, that I largely live from the compensation I receive as a United States Senator. I have a young and relatively expensive family. I maintain adequate living accommodations in Washington, D. C., and a rather large home in Washington State. There are few Members of this body who could so enjoy and benefit from additional compensation, but in the face of all this I shall not be a party to asking for something which at this time the taxpayers of this country cannot afford to give me as a Senator.

Mr. President, I can speak only as a single individual. A majority of the Members of the Senate may wish to approve Senate bill 1689. If this be their wish, I fervently hope that the Senate will accept the amendment I have offered. The amendment would help to retain a balance between the executive and legislative branches of the Government. Its adoption will say to people everywhere that both of these branches of Government are equally important. Should the amendment fail to be adopted, the re-

sulting lack of balance, prestige, and influence between the executive and legislative branches of the Government will eventually bring lasting harm to our people. Power follows money, and if the heads of the executive branch receive compensation which is substantially higher than our own the public will rapidly begin to agree that government actually consists of only the executive branch.

I make no pretense, Mr. President, of being the sort of a Senator I should like to be. I wish I might be much more intelligent than I am and possessed of a greater depth and scope of knowledge. But that, Mr. President, is beside the point. The office of a Senator of the United States is just as important as any office in this land can be, now or at any time in the future.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Louisiana?

Mr. CAIN. I should be very glad to answer any of the questions my friend from Louisiana may have, but preferably at the conclusion of what remains of a brief statement. However, I yield.

Mr. LONG. How much is the Senator proposing that a United States Senator or Representative in Congress shall receive? I understand the amendment applies to them. Is that correct?

Mr. CAIN. Yes. The amendment, which was read, simply provides that Members of Congress shall receive in the future equal compensation to that which is approved by the Congress and the President for the heads of the executive branch of the Government.

Mr. LONG. That applies to a Cabinet officer, I assume.

Mr. CAIN. It applies only to Cabinet officers. I have not used a figure, because I have not the slightest idea what the wish of the Senate will be eventually.

Mr. McCLELLAN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Arkansas?

Mr. CAIN. I am pleased to yield.

Mr. McCLELLAN. The amendment offered by the Senator, as I understand, would increase the salaries only of Members of Congress who are elected or appointed after the passage of the bill. Is that correct?

Mr. CAIN. That was not my understanding, as the amendment was prepared by our legislative counsel.

Mr. McCLELLAN. As I read it, it says:

The compensation of Senators, Representatives in Congress (other than the Speaker), Delegates from the Territories, and the Resident Commissioner from Puerto Rico, elected or appointed after the date of enactment of this act, shall be the same as the compensation of the heads of the executive departments.

I call the attention of the Senator to that fact. If it is correct, then a new Senator might be appointed to fill a vacancy, and he would draw \$22,500, while the rest of us continued to draw



the same salary we are now receiving. Am I correct?

Mr. CAIN. My reaction to the observation just made by the Senator from Arkansas is simply this: If the Congress were to agree that it was right and proper for a parity of compensation to obtain as between executive branch heads and Members of the Congress, they would very readily agree that such increase in compensation for Members of the Congress should be made effective as of the passage of any legislation on the subject. The amendment which I have offered, if it does not achieve the purpose I have just referred to, can be most easily amended during the course of the debate.

Mr. McCLELLAN. If the Senator will yield further, I simply wanted to call his attention to it. As it is now worded, I placed that construction upon it. I do not think any of us would want to agree to vote for a law which would allow an appointee coming into the Senate tomorrow or next week to fill a vacancy, to receive \$22,500, while we continued to draw \$12,500.

Mr. CAIN. I am grateful for the expression of the Senator from Arkansas. It goes without saying that the Members of the Senate, if they agree in whole or in part with the amendment which has been offered, will make such changes in it as they may deem appropriate.

Mr. KEM. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Missouri?

Mr. CAIN. Certainly.

Mr. KEM. I should like to ask the Senator whether, if the words "elected or appointed after the date of enactment of this act" were eliminated from section 9 (a) of the amendment, it would not meet the objection raised by the able Senator from Arkansas?

Mr. CAIN. I should rather refer that question to our legislative counsel, though my lay opinion is the Senator's observation is correct.

As the President needs better qualified and more highly trained personnel to serve his purposes, the people ought always to try to send more competent individuals to the Congress of the United States. If it is necessary to raise executive salaries in order to attract the right kind of administrative personnel, it is likewise proper to raise legislative salaries in order that more Americans whose training and backgrounds are adequate to the responsibilities will be encouraged to seek seats in the Congress.

The twentieth century has witnessed world-wide abdication by the people of their dearly bought right to control the power of the Executive. The people have everywhere surrendered to the personal government of the Commander in Chief. They have forgotten that any people accepting personal government thereby undermine the congressional wall protecting them against the arbitrary will of the Executive. In recent years we have seen a monumental growth in personalized government in this Nation. More and more people have been added to the executive side of Government who, by the very nature of things, become less and less responsible and responsive to the will of the people. The historic function of a legislative body in a free country, as I understand it, was to impose restraints on the power under the control of the executive head. It was the legislative function to define in detail the restraints to be heeded by the Executive and precisely to define the channels through which the Executive would dispose of the vast resources at his command. In recent years as a result of "must" legislation, artificial emergencies, foreign crises, and lump-sum appropriations, the Executive in our Nation has been arrogating to himself the power to determine these restraints and these channels. We have become careless, Mr. President, and we have been responsible for granting greater powers to the Executive than he had need of or deserved.

Quite obviously, I do not refer to the President as an individual person, but

as the executive head of the Nation, the President of the United States.

If the pending measure is approved without the adoption of the amendment which I have offered, we shall take one more step in the direction of making big executive government all-powerful and all-consuming. If we understand the imperative need for restraining the executive, we shall provide that branch of our Government with no unfair advantage. To pass the pending measure without the amendment in question is to weaken our own ability to do business on equal terms with the executive branch of the Government. This would be a tragic and completely unnecessary blunder of the first order.

If the amendment were adopted, Mr. President, there would be no right and no need for Members of the Congress to accept the prevailing \$2,500 tax-exempt sum. If the amendment were adopted, we could well afford to pay taxes on every dollar of our income which is provided by our employers, the citizens of the land. I personally believe that this tax-exempt item ought to be done away with whether salaries are increased or if they remain where they are. I do not like presently to spend time in defending or explaining a situation which I hold to be bad public policy.

I hold in my hand, Mr. President, an analysis of House bill 1689. It states the position, its present salary, its proposed salary, and the percentage increase involved. This analysis speaks for itself. I think that many a Senator and Representative has not seen this analysis and that the average citizen has no knowledge whatsoever of what it contains.

In order to help a little, Mr. President, in providing the public with information concerning how we desire to manage their public business, I ask unanimous consent that the analysis to which I have referred be made a part of my remarks at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

*Analysis of percentage pay increase in executive agency pay-increase bill*

Position	Number	Present	H. R. 1689 proposed by the Senate	Percentage of increase	Position	Number	Present	H. R. 1689 proposed by the Senate	Percentage of increase
Secretary, Department of Agriculture	1	\$15,000	\$25,000	66⅔%	Administrator, General Services Administration	1	(1)	\$20,000	-----
Secretary, Department of Commerce	1	15,000	25,000	66⅔%	Housing and Home Finance Administrator	1	\$16,500	20,000	21
Secretary, Department of Interior	1	15,000	25,000	66⅔%	Under Secretary, Department of Agriculture	1	10,330	20,000	94
Attorney General, Department of Justice	1	15,000	25,000	66⅔%	Under Secretary, Department of Commerce	1	10,000	20,000	100
Secretary, Department of Labor	1	15,000	25,000	66⅔%	Under Secretary, Department of Interior	1	10,330	20,000	94
Secretary, Department of Defense	1	15,000	25,000	66⅔%	Under Secretary, Department of Labor	1	10,330	20,000	94
Secretary, Department of the Air Force	1	15,000	25,000	66⅔%	Under Secretary of Defense	1	12,000	20,000	66⅔%
Secretary, Department of the Army	1	15,000	25,000	66⅔%	Under Secretary, Department of the Air Force	1	10,000	20,000	100
Secretary, Department of the Navy	1	15,000	25,000	66⅔%	Under Secretary, Department of the Army	1	10,000	20,000	100
Postmaster General, Post Office Department	1	15,000	25,000	66⅔%	Under Secretary, Department of the Navy	1	10,000	20,000	100
Secretary, Department of State	1	15,000	25,000	66⅔%	Under Secretary, Department of State	1	12,000	20,000	66⅔%
Secretary, Treasury Department	1	15,000	25,000	66⅔%	Under Secretary, Treasury Department	1	10,330	20,000	94
Administrator for Economic Cooperation	1	20,000	25,000	25	Assistant to Attorney General, Justice	1	10,330	20,000	94
Comptroller General of the United States	1	12,000	20,000	66⅔%	Solicitor General of United States, Justice	1	10,330	20,000	94
Chairman, Council of Economic Advisers	1	15,000	20,000	33⅓%	First Assistant Postmaster General, Post Office	1	10,330	20,000	94
Director, Bureau of the Budget	1	10,000	20,000	100					
Chairman, National Security Resources Board	1	14,000	20,000	43					
Administrator, Federal Security Agency	1	12,000	20,000	66⅔%					
Administrator of Veterans' Affairs	1	12,000	20,000	66⅔%					

<sup>1</sup> Salaries for these positions have not yet been established by the President in accordance with Public Law 152, 81st Cong.



Analysis of percentage pay increase in executive agency pay-increase bill—Continued

Position	Number	Present	H. R. 1689 proposed by the Senate	Percentage of increase	Position	Number	Present	H. R. 1689 proposed by the Senate	Percentage of increase
White House officials designated by the President (12):					Assistant Secretary, Department of Commerce	2	\$10,000	\$15,000	50
6 administrative assistants					Assistant Secretary, Department of Interior	2	10,330	15,000	45
The Executive Secretary, National Security Council		(1) \$15,000	(2) \$20,000	33 1/3-74	Assistant Secretary, Department of Labor	3	10,330	15,000	45
5 other secretaries or immediate assistants		(1) 12,000	(3) 18,000		Assistant Secretary, Department of Air Force	2	10,000	15,000	50
		(9) 10,330	(7) 16,000		Assistant Secretary, Department of the Navy	2	10,000	15,000	50
Chairman, Atomic Energy Commission	1	17,500	18,000	3	Assistant Secretary, Department of the Army	2	10,000	15,000	50
Chairman, Munitions Board	1	14,000	18,000	29	Assistant Secretary, Department of State	8	10,330	15,000	45
Chairman, Research and Development Board	1	14,000	18,000	29	Assistant Secretary, Department of the Treasury	2	10,330	15,000	45
Deputy Administrator for Economic Cooperation	1	17,500	18,000	3	Fiscal Assistant Secretary, Department of the Treasury	1	10,330	15,000	45
Assistant Comptroller General of United States	1	10,330	18,000	74	Assistant Attorney General, Department of Justice	3	10,330	15,000	45
Assistant Director, Bureau of Budget	1	10,330	18,000	74	Do	3	10,305	15,000	45
Deputy Administrator of Veterans' Affairs	1	10,330	18,000	74	Do	1	10,000	15,000	50
Chairman, Board of Directors, RFC	1	15,000	18,000	20	Assistant Solicitor General, Justice	1	10,330	15,000	45
Comptroller of the Currency	1	15,000	18,000	20	Counselor, Department of State	1	10,330	15,000	45
Director, Administrative Office of United States Courts	1	10,330	16,000	55	Second Assistant Postmaster General	1	10,330	15,000	45
Public Printer	1	10,330	17,500	69	Third Assistant Postmaster General	1	10,330	15,000	45
Librarian of Congress	1	10,330	17,500	69	Fourth Assistant Postmaster General	1	10,330	15,000	45
Members, Council of Economic Advisers	2	15,000	17,500	16 2/3	Associate Federal Mediation and Conciliation Director	1	10,330	15,000	45
Director, Central Intelligence	1	14,000	17,500	18	Deputy Director, Central Intelligence	1	10,000	15,000	50
Federal Mediation and Conciliation Director	1	12,000	17,500	46	Philippine Alien Property Administrator	1	10,000	15,000	50
Assistant Federal Security Administrator	1	10,330	17,500	69	Chief Assistant, Librarian of Congress	1	10,330	15,000	45
Director, Federal Bureau of Investigation	1	14,000	17,500	18	Deputy Public Printer	1	10,330	15,000	45
Deputy Under Secretary of State	2	10,330	17,500	69	Members, Board of Directors, Export-Import Bank of Washington	3	12,000	15,000	25
Members, Board of Governors, Federal Reserve Board	7	15,000	16,000	6 2/3	Members, Board of Directors, RFC	4	12,500	15,000	20
Members, Home Loan Bank Board	3	15,000	16,000	6 2/3	Members, U. S. Maritime Commission	4	10,000	15,000	50
Public Housing Commission	1	15,000	16,000	6 2/3	Commissioners, U. S. Court of Claims	13	9,707	15,000	55
Federal Housing Commissioner	1	15,000	16,000	6 2/3	Governor, Alaska	1	10,330	15,000	45
Director, Aeronautical Research, National Advisory Committee for Aeronautics	1	10,330	16,000	55	Governor, Hawaii	1	10,330	15,000	45
Members, Civil Aeronautics Board	1	12,000	16,000	33 1/3	Governor, Virgin Islands	1	10,330	15,000	45
Do	4	11,500	16,000	39	Governor, Panama Canal	1	10,000	15,000	50
Chairman, Board of Directors, Export-Import Bank of Washington	1	15,000	16,000	6 2/3	Assistant Director, Administrative Office of U. S. Courts	1	9,707	15,000	55
Members, Federal Communications Commission	7	10,000	16,000	60	Legislative Counsel, House of Representatives	1	12,000	12,000	0
Board of Directors, Federal Deposit Insurance Corporation	2	15,000	16,000	6 2/3	Legislative Counsel, Senate	1	12,000	12,000	0
Members, Federal Power Commission	5	10,000	16,000	60	Compensation of chairman or other head of board or commission having important duties or responsibilities not imposed upon other members of such board or commission may be fixed by the President at \$18,000:				
Members, Federal Trade Commission	5	10,000	16,000	60	Archivist of the United States	1	10,000	15,000	50
Members, Interstate Commerce Commission	11	12,000	16,000	33 1/3	Administrator, Production and Marketing Administration	1	10,330	15,000	45
Members, National Labor Relations Board	5	12,000	16,000	33 1/3	Commissioner of Internal Revenue	1	10,330	15,000	45
Members, National Mediation Board	3	10,000	16,000	60	Director, Bureau of Prisons	1	10,330	15,000	45
Members, Railroad Retirement Board	3	10,000	16,000	60	Commissioner of Public Roads	1	10,330	15,000	45
Members, Securities and Exchange Commission	5	10,000	16,000	60	Commissioner of Public Buildings	1	10,330	15,000	45
Board of Directors, Tennessee Valley Authority	3	10,000	16,000	60	Commissioner of Community Facilities	1	10,330	15,000	45
Members, Civil Service Commission	3	10,000	16,000	60	Commissioner of Immigration and Naturalization	1	10,330	15,000	45
Chairman, U. S. Maritime Commission	1	12,000	16,000	33 1/3	Administrator of Civil Aeronautics	1	12,000	15,000	25
Members, U. S. Tariff Commission	6	10,000	16,000	60	Administrator, Rural Electrification Administration	1	10,330	15,000	45
Members, Atomic Energy Commission	4	15,000	16,000	6 2/3	Commissioner for Social Security	1	10,330	15,000	45
General Counsel, National Labor Relations Board	1	12,000	16,000	33 1/3	Commissioner of Reclamation	1	10,330	15,000	45
Architect of the Capitol	1	10,330	16,000	55	Chief, Soil Conservation Service	1	10,330	15,000	45
Deputy Administrator of General Services	1		16,000		Commissioner of Customs	1	10,330	15,000	45
Housing Expediter	1	12,000	15,000	20	Commissioner of Narcotics	1	10,330	15,000	45
Director of Selective Service	1	12,500	15,000	25	Governor, Farm Credit Administration	1	10,000	15,000	50
Assistant Architect of the Capitol	1	9,955	15,000	50	Chief Forester, Forest Service	1	10,000	15,000	50
Members, Displaced Persons Commission	3	10,000	15,000	50	Administrator, Farmers Home Administration	1	10,000	15,000	50
Members, Indian Claims Commission	3	10,000	15,000	50	Manager, Federal Crop Insurance Corporation	1	10,330	15,000	45
Members, War Claims Commission	3	12,000	15,000	25	Special Assistant to Secretary of Defense	3	10,000	15,000	50
Members, Philippine War Damage Commission	3	12,000	15,000	25	Director, Bureau of Federal Supply	1	10,330	15,000	45
Assistant Secretary, Department of Agriculture	1	10,305	15,000	46					

Mr. CAIN. Mr. President, in conclusion and summary, and without prejudice to anyone, I point out that the Fourth Assistant Postmaster General, the Deputy Public Printer, the Archivist of the United States, the Housing Expediter, and the Assistant Architect of the Capitol, together with members of the Displaced Persons Commission and of the Philippine War Damage Commission, are to receive, if the bill before us be passed without amendment, compensation equal

to that of Members of the Congress. Scores of other assistants and under secretaries of one agency or another are to be provided with compensation substantially higher than our own. May I publicly inquire if this makes real sense of any kind?

For my part, I think that to approve the bill as it is before us, without amendment, would bring a further lessening of the ability to cooperate, among other things, between the executive and legis-

lative branches of the Government, and it would in due time make of this great body almost a meaningless institution.

I hope, Mr. President, that my amendment will be adopted in order that our Government shall not become more lopsided than it is today. Should the amendment be adopted, I hope that we will defer consideration of the amended bill. This is a day, it seems to me, which calls for sacrifices, particularly from leaders. On the basis of our conduct we



continue to be at war on the domestic front, both at home and abroad. Until that war has been concluded, successfully I hope, I think we, who are charged with leadership, have no right of any kind to ask for more than our national income, which comes from the people of America, can safely provide.

Mr. KEM. Mr. President, will the Senator yield?

Mr. CAIN. I gladly yield to the Senator from Missouri.

Mr. KEM. As I understand the amendment of the Senator from Washington, it is based on the proposition that under the Constitution there are three coordinate branches of the Federal Government.

Mr. CAIN. That is precisely correct.

Mr. KEM. The Senator from Washington envisions a condition, if the bill as proposed should be passed, in which the legislative department may become an inferior branch of the Federal Government.

Mr. CAIN. History tells us that under similar circumstances through decades and centuries gone by, that has always been a result.

Mr. KEM. The Senator feels that the people generally may consider that the ability and service of Members of the Congress are worth what they themselves place on them as a matter of compensation. Is that correct?

Mr. CAIN. I agree; and, further, I think it is a tragic thing that even in the year 1949 there is a disposition on the part of too many Americans—perhaps Members of Congress are partly deserving of that attitude—to hold as being of far greater importance the executive side of our Government. I speak, may I say to my good friend from Missouri, only as an individual, but I feel very strongly with reference to this subject.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CAIN. I shall be pleased to yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Does the Senator from Washington realize that the comparative purchasing power of a \$10,000 income for a single man in 1939 was \$9,520, and that in 1948 the purchasing power was only \$4,559.28?

Mr. CAIN. I want to say, if I may, to the Senator from South Carolina, that I understand those figures conclusively. But for us, charged as we are with managing, among other things, the financial budgets and fiscal activities of this great Nation, to increase our salaries materially in this day, is only to play to our own weaknesses, is only an admission and a declaration to the American people that we are never going to make any attempt to breathe any hard purchasing power back into our currency.

From my point of view—and this is the reason why I oppose executive pay increases as vigorously as I do—I think affirmative action by the Senate would be encouragement to 158,000,000 Americans to ask for what they have not got, from anybody from whom they can get it, and a pattern of indulgence and continuing extravagance would be set by the Government of which we are all a part.

Mr. KEM. Mr. President, will the Senator yield?

Mr. CAIN. I yield to the Senator from Missouri.

Mr. KEM. It is true that the purchasing power of the dollar in the pocket of a Member of Congress is exactly the same as the purchasing power of the dollar in the pockets of the members of the executive branch, is it not?

Mr. CAIN. The Senator from Missouri, as is most often the case, has spoken the truth.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. CAIN. I am pleased to yield.

Mr. FLANDERS. I am a little bit puzzled by the Senator's outright opposition, apparently, to the bill as it comes from the committee, and also his arguments in favor of raising very greatly the salaries of Representatives and Senators. I wonder if the two things are not very closely connected.

Mr. CAIN. I think they are identical. If we increase compensation for one branch, let us make certain to do it for the other.

Mr. FLANDERS. I wondered if they were connected in this way, that the amendment was intended to make the amended bill unpalatable and impossible.

Mr. CAIN. I would not think so. It seems to me that this bill in some form has a good chance of being approved. The administration has publicly asked for it. The administration has many friends in the Congress, both in the House and in the Senate. They are certainly disposed to follow any absolute suggestion made by the President of the United States. I think there is an excellent chance that the bill will pass, and all I am suggesting is that it could be materially improved, if the Congress sees fit to pass it, for the ultimate and continuing benefit of the American people.

Mr. FLANDERS. Mr. President, I should like to ask the Senator from Washington, further, about the amounts suggested in his amendment, which seem to me to be so great as to be difficult to sustain. The Senator referred to the evidence of history, stated that the legislative department tended to decay, I judged, in the face of great disparity between the salaries of members of the legislative body and of the executive branch. There may be in our minds the thought that perhaps the legislative body in Great Britain is decaying at this time, but certainly during the recent period, and up until now, as it is at the present time, the disparity between the Cabinet Minister in Great Britain and the member of Parliament has been far greater than it is in our case.

Mr. CAIN. I am not qualified to speak on the particular example to which the Senator has just addressed himself. I feel that nations have decayed, in terms of history, when there has come about an unbalance as between the executive and the legislative branches of any government. That only partly results from a disparity in wages or compensation. It largely comes about when the legislative body abdicates from its authority and its function to impose restraints on the

spending of government. No government since the beginning of time has ever successfully lived over a period of time whose financial attitude toward life has been comparable to ours during the period through which we have lived in recent years.

Mr. FLANDERS. I should like to inquire whether the Senator from Washington voted last Monday for the bill increasing the pay of the members of the armed services by \$300,000,000?

Mr. CAIN. That is a very interesting and leading question. I did, and I did it for two reasons, if I may answer the question. I did it because I had reason to believe that in passing that bill we would place the members of the Military Establishment, in a general way, on an equal footing, across the board, with civil servants employed by the Government in the hundreds of thousands. In addition I drew the attention of the Senate to the fact—I do not care whether we call it socialized medicine or what we call it—that free medical care has, since the Indian wars, I suppose, been given to the dependents of military personnel. I suggested that if we would discontinue that free medical care and place the dependents on a reasonable fee basis, we could save in a short time more than was carried by the bill. But, more important, we would improve the medical service which is now being somewhat inadequately extended to the dependents of military personnel, because of the prevailing work load. We would also make unnecessary a further consideration of the drafting of American doctors and dentists into the armed services, and we would prepare ourselves for an emergency which we could not begin to meet today with the limited number of doctors at the disposal of the Military Establishment, and in the face of the free or socialized medicine which is being granted. Those are the reasons why I voted for the bill to which the Senator has referred.

Mr. FLANDERS. I might say that, while I was absent when the vote was taken, I would have voted for the bill, but on the same grounds as those on which I am supporting the pending bill.

I now wish to come to one other question with the Senator from Washington. It has struck me that the proposal of the Senator from Washington is a completely new undertaking in legislative and administrative history, and that there is no basis in history for making the legislative salaries on a level with those of Cabinet officers. Furthermore, it seemed rather clear to me that if this amendment were to be agreed to, and the salaries of the Cabinet members were materially raised, as is proposed in the amendment by way of substitute, we would have very hard work, in spite of our best efforts, in explaining ourselves to the American public.

Realizing the sentiment which exists, and which I think has a valid basis, with regard to the salaries of Representatives and Senators, I had prepared an amendment which raised those salaries to \$20,000, still below the Cabinet level, which I think is justified by experience,



by history, and otherwise. I did this with some doubt, but in view of what seemed to me to be the prevailing sentiment on this side of the Capitol, which has been shown quite plainly here, not so much in discussions on the floor as in personal discussions, committee discussions, and the like. I wonder whether the Senator would be willing to come down to that figure, and let it stand or fall with the bill.

Mr. CAIN. I offered the amendment in order that it would arouse the interest and concern of Senators. It has obviously aroused the concern of the Senator from Vermont. He is now addressing himself to the amendment. The amendment will remain as it has been offered for the reason that I feel it should so remain and be called up for consideration, and it can be changed in any way which suits the majority wish of this body.

May I say one other thing to the Senator from Vermont? We are very good friends. What the Senator said a moment ago interested me greatly. The Senator said that one of the reasons he did not look too kindly upon this proposal was that the Senator would not know how to explain it to the American people. I am not jumping to a conclusion, but I am saying that is an approach as if we had a pure democracy in America. It has been my concept of this Government that it is a Republic, that the legislative branch is charged with the responsibility of carrying on the public's business, because we have available to us much more information than does the general public, and that whatever we feel is right ought to be done. Then we assume the task of going forth and justifying what we have done to the American people. We should not ever deny ourselves taking any action or following a line of conduct because of our though that, however good it might be, we might not be able to explain our conduct to those at home.

Mr. FLANDERS. Mr. President, I might say with reference to the increase in salary, whether to the amount suggested in the amendment of the Senator from Washington or the lower amount suggested in the amendment which I shall offer in due time, that we have to remember, first, that this is one thing which will cost the country a good deal of money. The salaries in the bill itself will be absorbed in present appropriations, but the increase will actually cost money.

Mr. CAIN. It is true, is it not, that wherever the increases proposed come from they will cost somebody something?

Mr. FLANDERS. They will cost nothing on this year's appropriations.

Mr. CAIN. They will cost moneys which otherwise would be spent for other purposes.

Mr. FLANDERS. And perhaps unwisely.

Mr. CAIN. Indeed, sir.

Mr. FLANDERS. I should like to say a word further, if the Senator will bear with me, and that is that with regard to salaries I have talked with some of the Members of this body who are on the far liberal side, if I may use that word, for the word "liberal" is a difficult word to

define, but I think if I mention names it would be realized that I am talking about the westernmost liberals in this body—

Mr. WILEY. East or West?

Mr. FLANDERS. Well, I am facing north—who have admitted rather difficult personal financial situations on the present salary basis. So since these admissions come from that direction, I, who sometimes think I am in the center, and sometimes think I am on the right, and sometimes—excuse me, I always think I am in the right; I do not mean to raise that question—I have felt there was some justification for raising this question, and that was my reason for having an amendment prepared for that purpose.

I thank the Senator from Washington.

Mr. CAIN. I very much appreciate the observations made by the Senator from Vermont. May I ask if the Senator from Vermont has in mind offering an amendment to raise congressional salaries to \$20,000?

Mr. FLANDERS. Yes; to raise them to \$20,000.

Mr. CAIN. I should like to say again to the Senator from Vermont and other Senators who may be interested, that I saw fit not to mention any dollar figure. From my point of view I do not think that is the most fundamental point at issue. I believe that in the long run it would be for the best interests of our country to secure and maintain an equality of compensation as between the handful of men who are charged with the grave responsibility of managing the executive side of our business, and those in the legislative branch, who obviously bear an equally heavy responsibility for so designing legislation that it can be precisely carried out by the Executive for the greatest good of the greatest number in America.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. WATKINS. Does the Senator know why the committee did not recommend the increase for Members of Congress?

Mr. CAIN. I am only guessing, but I think it is a fair guess: They had before them a proposal the title of which was the executive pay bill, which does not in itself have a connotation covering the legislative side. It is without prejudice that I have offered my amendment as being something which was not within their purview as of the time they considered the question.

Mr. FLANDERS. May I make one more observation, I ask the Senator from Washington?

Mr. CAIN. No one could possibly enjoy the Senator's observations any more than I, sir. I hope the Senator will.

Mr. FLANDERS. The substitute amendment struck me immediately, in connection with the question of congressional pay, because of the scale which is set forth and which provides for salaries for Cabinet members of \$22,500 and no gradation between that and the next lower figure of \$15,000.

Mr. CAIN. I beg the Senator's pardon. Is the figure the Senator has referred to, \$22,500, the correct figure?

Mr. FLANDERS. That is my recollection. Am I wrong? That is my recollection?

Mr. CAIN. I thought it presently has been suggested that the salaries of executive heads be increased to \$25,000.

Mr. FLANDERS. I am referring to the amendment in the way of a substitute.

Mr. CAIN. I see, sir.

Mr. FLANDERS. It struck me at once that there must be some reason other than the natural reason of a good scale of salaries in providing the big gap from \$22,500 down to \$15,000. I could conceive of nothing that would lead to the bill being drawn in that form except a decision on the part of those who drew it up to the effect that the salary of the Representative and the salary of the Senator was the controlling element. Having reached the conclusion that that was the only possible reason for putting the bill in that form, it was my desire to remove that dam which had been erected, or that manhole cover, or whatever it may be called, and put congressional salaries at such a point that a reasonable bill could be drawn up rather than have such a far-reaching bill based on that one single illogical item.

Mr. CAIN. While the Senator from Vermont is suggesting, it seems to me, that this is a vitally important question before us, and will be dealt with at some length. I hope he will respond to this question which I pose to myself within the rules of the Senate: I wonder if the Senator from Vermont, at the time he calls up his amendment to increase the compensation of Senators and Representatives to \$20,000 a year, is at the same time going to suggest that we remove the prevailing \$2,500 tax-exempt item?

Mr. FLANDERS. That would be expected. If it is not involved in the amendment as drafted, I am surprised. In other words, we fix a new salary for Senators and Representatives, and in that new salary we say nothing about the tax-free expense account. It might be necessary to add something to the bill to make sure. I should suppose that in the Senator's amendment he would do the same thing.

Mr. CAIN. One reason I ask the question is that the legislative counsel advises me that separate action would be required to remove the \$2,500 tax-exempt item.

Mr. FLANDERS. Could not such a provision be put in the same amendment?

Mr. CAIN. It is so provided by subsection (b) of my amendment.

Mr. FLANDERS. I find that the removal provision is also included in my amendment.

Mr. CAIN. The Senator from Vermont and the Senator from Washington are certainly in agreement on removing that tax-exempt item; and we have suggested two different approaches in an effort to reach parity.

Mr. FLANDERS. Mr. President, with regard to the relationship between Cabinet salaries and legislative salaries, Cabinet salaries are as they were 15 or 20 years ago, while the salaries of Senators and Representatives have been in-



creased since that time. So, so far as the 1948 dollar is concerned, Senators and Representatives have taken care of themselves but have not taken care of members of the Cabinet.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. WILEY. I wish to compliment the distinguished Senator from Washington on the very lucid statement he has made with regard to the salary situation. I did not rise to add to or detract from what he has said in that connection. When I entered the Chamber he was mentioning something which to me is very significant. He brought out the fact that there are those in Government and outside the Government who apparently continually have as an objective in their lives taking away from the legislative branch the very distinctive and powerful position it occupies in our form of government.

Lincoln said that the danger to the Government is from within. There are those among newspaper men, columnists, editorial writers, and members of the executive branch, and others in various places in our economy, who feel that it is their function continually to bore into and deteriorate some branch of Government. Those are factors which we must look out for. It is the old Hitler technique of divide and conquer.

In order to make it concrete, let me say that I am satisfied that the Senator from Washington feels that the distinction in salary may add to the pressure which is already apparent in some directions, to diminish or attempt to diminish the effectiveness of the legislative branch. I am satisfied that unless something is done to make plain to our people the significance of maintaining the legislative branch as the check and balance in Government, it will not be long before that branch of government loses the position it now occupies.

The Senator was speaking of salaries. There has been a change in world conditions and a change in our economy. At the time when salaries of Senators and Representatives were \$10,000, we had a national income of \$70,000,000,000. Today we have a national income of more than \$200,000,000,000. If something is not done to reinstate in the confidence of the American people the significance and importance of the legislative branch, there is danger to the continuity of our Government.

I am very sorry at times to see even the Chief Executive take the position that it is his function to make remarks in relation to the legislative branch which have a very disintegrating effect. Personally I feel that under our concept of government, a tripartite arrangement under which the Executive performs administrative and executive functions, he could well stay in that field, and we in the legislative branch could well stay in our field. There should be criticism only when the executive or the legislative branch invades the field of the other. That has been my theory ever since I came to Washington.

I compliment the distinguished Senator from Washington because he has

brought so clearly before us the importance of maintaining the legislative branch in all its integrity and vitality, in order that the Government may be preserved.

Mr. CAIN. Mr. President, I feel constrained to respond in very simple language to what the Senator from Wisconsin has just said. He has called attention to an old and very much overworked, but certainly an important idea. I believe with him that the Congress of this great Nation is the last best hope of mankind.

Mr. WILEY. The Senator is correct.

Mr. CAIN. Mr. President, I have submitted this amendment in good faith, because I am determined not to be a party in any way, shape, or form, to any movement which is likely to minimize the potential importance of the legislative branch of the Government in the eyes of the American people, for whom we all work. They send us here. We represent them as best we can. If there is to be a future worth living in, it will be because responsible and responsive men in such bodies as this enact legislation under which adequate command and administrative and executive decisions can be made.

I certainly believe that the least the Senate will feel constrained to do is to devote several very dear hours to a rather thoughtful look at the substance of the idea which, without any pride of authorship, I have offered to the Senate.

Mr. President, I ask unanimous consent for permission to so perfect my amendment so that if the amendment prevails, and if the executive pay bill is passed, the salaries of both the executive branch heads and Members of Congress will take effect upon the passage of the legislation.

The PRESIDING OFFICER. The Senator has the right to modify his own amendment.

Mr. FLANDERS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Vermont will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC.—. (a) The compensation of Senators, Representatives in Congress (other than the Speaker), Delegates from the Territories, and the Resident Commissioner from Puerto Rico shall be at the rate of \$20,000 each.

(b) Subsection (b) of section 601 of the Legislative Reorganization Act of 1946 is hereby repealed.

(c) This section shall take effect on the first day of the second regular session of the Eighty-first Congress.

Mr. FLANDERS. Mr. President, is it in order to consider my amendment at this time?

The PRESIDING OFFICER. It is in order.

Mr. FLANDERS. I should like to suggest the absence of a quorum previous to the discussion of my amendment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator withhold his suggestion of the absence of a quorum for a moment?

Mr. FLANDERS. Certainly.

Mr. JOHNSTON of South Carolina. Does not the Senator think it would be better to discuss the bill first, and then take up the amendment?

Mr. FLANDERS. I will say to the Senator from South Carolina that there has been some question in my mind as to whether to speak on the bill or on the substitute amendment, to which what I have to say so largely applies. Since the Senator from South Carolina is in charge of the bill, I think it might be well for me to seek his advice.

Mr. JOHNSTON of South Carolina. I think it would be well to discuss the bill in general first, and then discuss the Senator's amendment.

The PRESIDING OFFICER. The amendment of the Senator from Vermont can still remain pending.

Mr. WILLIAMS. Mr. President, will the Senator from Vermont withhold his suggestion of the absence of a quorum for a moment longer?

Mr. FLANDERS. Certainly.

Mr. WILLIAMS. Do I correctly understand that the amendment just offered is an amendment to the bill itself?

Mr. FLANDERS. That is correct.

The PRESIDING OFFICER. It is an amendment to the committee amendment.

Mr. FLANDERS. It is an amendment to the committee amendment.

Mr. WILLIAMS. Would an amendment to the substitute be in order at this time?

The PRESIDING OFFICER. The substitute not yet having been proposed, such an amendment would not be in order at this time.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. FLANDERS. I yield to the Senator from Louisiana.

Mr. LONG. Would it not be in order for the Senator to offer his amendment to the substitute at such time as the substitute sponsored by approximately 30 Senators is offered? In the event the substitute is defeated, the bill will still be open to amendment, and the Senator could offer his amendment at that time.

The PRESIDING OFFICER. The Senator from Vermont may offer his amendment to either the bill or the substitute.

Mr. FLANDERS. As a matter of fact, Mr. President, I have two amendments, one in form to be offered to the bill, and one in form to be offered to the substitute. So I come with a gun in each hand, so to speak.

The PRESIDING OFFICER (Mr. ANDERSON in the chair). Both of them may be pending.

Mr. FLANDERS. Mr. President, I yield the floor to the Senator from South Carolina.

The PRESIDING OFFICER. Does the Senator from Vermont withdraw his suggestion of the absence of a quorum?

Mr. FLANDERS. I do, unless the Senator from South Carolina would like to have me renew it.

Mr. JOHNSTON of South Carolina. Mr. President, I think it best for the Senator from Vermont not to renew it at this time.

Mr. FLANDERS. Very well.



Mr. JOHNSTON of South Carolina. Mr. President—

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator from South Carolina is recognized.

Mr. JOHNSTON of South Carolina. Mr. President, the task before us in considering House bill 1689, a bill which would increase the compensation of the top-level Federal officials, is a significant one. Through its passage, this Congress can make a lasting contribution to the cause of better, more efficient Government. For the first time it will provide the Federal Government with an equitable and realistic pay scale for the men charged with the grave responsibility of operating the largest and most challenging enterprises in the world today.

The President has summarized the need for this measure in his message to Congress:

In recent years the difficulty of obtaining and holding the best qualified citizens for official positions has definitely impaired the Government service. This condition has now progressed to the point where it constitutes a serious threat to the efficiency of the Government.

Mr. President, we should not allow this situation to continue. The grave responsibilities we have undertaken in the postwar world and the resulting impact of governmental programs and expenditures upon our national life make it imperative that we take every necessary step to make available to Government the best possible administrative and managerial talent and leadership. There are approximately 240 of these top executive positions. Most of them are filled by men appointed by the President and confirmed by the Senate.

As a result of half a century of piecemeal legislation, the pay structure for the top positions in the Federal establishment is chaotic. Until now there has been no attempt to analyze, review, and adjust these salaries on a coordinated basis. While the Federal Government has paid little or no attention to the compensation of its executives, American business has forged ahead in establishing realistic and equitable pay scales for its top managers. Increasingly, planned executive compensation has been substituted for guesswork or for systems that have grown "like Topsy."

Comparing the compensation received by Federal and other executives, both public and private, immediately dramatizes the issue. It is almost embarrassing to compare top Government salaries with top salaries in comparable positions in industry or even with salaries in other levels of Government service. Representative industrial corporations, both large and small, pay their presidents from three to six times the \$15,000 salaries received by our Cabinet officers.

It is both surprising and shocking to find that salaries for comparable positions in State and local governments are in many cases considerably higher than those paid to top Federal executives. In the State of New York, for example, the attorney general and State auditor receive \$20,000 annually, each. The budget or finance officer receives \$16,500; the secretary of state, \$15,000; and the

superintendent of public works and buildings, \$17,500.

In the field of municipal government the contrast is equally striking. In 12 of our largest cities, 46 officials make more than \$15,000, our Cabinet level rate of pay. In New York City alone eight city officials, including the mayor, receive annually \$20,000 or more in salary. Six city managers of cities of between 250,000 and 500,000 population receive salaries averaging \$19,000.

When top Federal jobs are compared to jobs in private enterprise, the salary discrepancy becomes even more apparent. One illustration that has been used is the case of the Administrator of Veterans' Affairs. This official is responsible for programs affecting 19,000,000 veterans and for a management job involving more than 200,000 employees and annual expenditures of nearly \$7,000,000,000. A hospital program 100 times greater than that of the Mayo Clinic is only one of his responsibilities. Another is the administration of an insurance program as large as that of the Metropolitan Life Insurance Co., probably the largest in the Nation. For these and other responsibilities, the greatest government on earth pays a mere \$12,000.

There can be no question that these top Federal positions are among the biggest and most responsible in the country today. The welfare and security of our Nation and the best interest of our people demand that the Government be able to recruit and retain in these positions men who are as broad-gaged, driving, and able as any to be found. Yet, in the face of these facts, the Government in competing for these top-bracket people, for which the labor market is always tight, in most instances has salaries of only \$10,000 a year to offer.

All of us recognize, of course, that our Government cannot compete dollar for dollar with private enterprise. There is no question that there are other compensating factors which must be considered. Not the least of these is the deep satisfaction which comes from public service. Federal service offers rare opportunities for service to the Nation, prestige, and a stimulating challenge to initiative and resourcefulness. Yet it is short-sighted policy and poor economy to maintain a pay structure which requires that Federal officials either have independent incomes or make undue sacrifices to remain in public service. That is the issue which faces us today.

Mr. President, how much should an able man have to sacrifice, how much should he be penalized for remaining in public service? It is shocking to think that this Government imposes a penalty for public service. Yet that is the effect of inadequate salaries. It is a matter of fact that too often those choosing to remain in public service or those entering public service at such levels have been forced to dig deeply and dangerously into their life savings in order to stay on.

Furthermore, our pay structure today is fraught with inequities arising from unplanned and piecemeal legislation over the years. A cursory examination will show how obsolete our structure has be-

come. Many of our top salaries were set years ago, and adjustments which would place them in their proper relationship to competing salaries elsewhere have not been made. To illustrate this, I point out the Cabinet salary was established in 1925. Some salaries, such as those for the Federal Trade Commissioners, were established as far back as 1914. Again using the Veterans' Administrator as an example, his salary was established in 1930. Since then the veteran load has increased from \$4,000,000 to \$19,000,000, and new veteran legislation, undreamed of in prewar days, has been enacted.

These are only a few illustrations of our failure to review periodically the responsibilities and duties of our top officials so as to assure ourselves that the salaries paid them are reasonable. It is a fact that comprehensive and over-all consideration has never in our Nation's history been given to the problem of the pay of top officials. It can be the historic privilege of this Congress to enact legislation eliminating the bewildering and illogical maze of pay relationships and establishing adequate salaries for our top executives. This action would also provide a basis for an intelligent revision of the Classification Act, which we are to consider following our disposition of the pending measure. By increasing the salaries of agency heads, this bill will make possible the fixing of higher maximum salaries for some key subordinates, such as the bureau chiefs, whose salaries will be fixed under the Classification Act.

The bill, H. R. 1689, which we have before us for consideration, was reported favorably by the Senate Post Office and Civil Service Committee on August 9, after long and thorough consideration of the problem. The top-pay problem has been studied for a year and a half by a subcommittee of the Post Office and Civil Service Committee, composed of our distinguished colleagues, the Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. BALDWIN], and the Senator from Maryland [Mr. O'CONOR].

Extensive hearings were held by the subcommittee in December 1948, and as a result Senate bill 103 was introduced by the distinguished senior Senator from Illinois. To assure passage of the bill before January 20, S. 103 was amended on the Senate floor, limiting the bill to increases in compensation for the President, the Vice President, and the Speaker of the House of Representatives. The unenacted portions of S. 103 were then introduced by the Senator from Illinois [Mr. LUCAS] as S. 498, which was favorably reported by the full Post Office and Civil Service Committee on March 18, 1949.

House bill 1689, as recommended by the committee, differs from S. 498 principally in the proposed coverage of positions and the proposed rates of pay.

Concerning the position coverage, the situation is this: S. 498 proposed to fix the rates of pay for certain bureau-chief positions. This was also true of H. R. 1689 as passed by the House. In this connection, the committee reexamined the question of covering positions other



than those of heads and assistant heads of agencies. As stated in its report on H. R. 1689:

The committee has evaluated all information available to it as a result of the long study made of the salaries of top Government officials. It is unanimous in its conclusion that its original recommendation to limit the coverage of a bill to increase the salaries of top executives to those whose responsibilities included the making of policy decisions was sound.

While there are many responsible positions below the policy-making level, the committee is of the opinion that the rates of pay for these positions should be fixed under the provisions of the Classification Act. This will assure the Congress that the rates of pay fixed for such positions are fair in the light of the responsibilities attached to them. For the Congress to study each of the several hundred positions at this level and determine the relative responsibility involved, let alone agree in committee on a fair rate of pay for each of them, would be an impossible task. Therefore, no attempt has been made to deal with the additional 3,000 positions paying \$9,975 and above, originally studied by the committee, which recommended that pay rates for positions below the level of the heads or assistant heads of executive departments and agencies be fixed under the Classification Act.

The proposals contained in Senate bill 2379, now on the Senate Calendar for consideration, would increase the maximum salary under the Classification system to \$15,000, which will make possible the fixing of that rate of pay for positions of bureau-chief level where the immediate responsibilities justify it.

It is the highest obligation of this Congress to provide our President with all the tools necessary to carry out his responsibilities for managing and directing the executive branch as efficiently as possible.

There is solid support for taking favorable action on the pending bill and the principles it embodies. H. R. 1689, as amended, represents the best judgment of the Senate Post Office and Civil Service Committee. The principles it embodies are consistent with the recommendations of the President and spokesmen from the Executive Office, other representatives of the executive branch, the Hoover Commission, competent persons from private industry, and representatives of various employee organizations.

In his request to the Congress, the President asked for speedy action to increase the salaries of top officials. He also indicated what he considered to be a fair salary scale for the positions. He proposed salaries ranging from \$17,500 to \$22,500 for heads and assistant heads of the independent agencies, boards, and commissions, and \$25,000 for Cabinet positions.

Most of the salaries provided by H. R. 1689 are lower than those specified by the President. While the passage of H. R. 1689 will not meet precisely the President's specifications, the committee believes the salaries provided are reasonable and consistent with the aims of the

President in requesting the increases mentioned. Most important of all, salaries of the caliber provided for in H. R. 1689, as amended, will not require unreasonable sacrifices on the part of persons wishing to serve the Government.

I am sure the President appreciates the problems facing the Congress in considering legislation of this kind. I am also certain he will feel that the Senate has taken an important step forward in passing House bill 1689, as amended.

In recent years Congress itself has repeatedly recognized the need for higher pay, if we are to attract and keep in Government our ablest citizens by establishing at higher levels the salaries for the top executive positions in many of our newly created agencies. For example, the position now held by ECA Administrator Hoffman was established at \$20,000 over a year ago. That held by David Lilienthal as Chairman of the Atomic Energy Commission was established at \$17,500 some 3 years ago.

Advances have also been made on a piecemeal basis with respect to other special jobs in particular agencies.

While each of these moves was a necessary step, the fact that each case was considered separately, rather than on a coordinated basis, has produced the inequities already mentioned.

Unless action is taken on the whole top-level pay problem as proposed in House bill 1689, as amended, the salary structure of the entire Federal Government will become increasingly outdated and inadequate. The Congress must establish a pay system for all levels in the Federal service, based on the relative responsibilities and importance of the various positions. Passage of House bill 1689, as amended, would accomplish this purpose and provide a sound basis for all subsequent action by the Congress with respect to this question.

It is surely a special responsibility of the Congress to take action of this kind, for, after all, it is the Congress which has often been the severest critic of the executive branch. We have time and again pointed out examples of extravagance and inefficiency. We ourselves must share the blame if we deny to the President and his administration the power to secure and keep the caliber of men needed to manage with full effectiveness the Government of the United States.

Considering the vital importance of this group of jobs to the effectiveness of

the Federal Government as a whole, it is encouraging to note that the costs of pay increases necessary to correct the present situation are small when compared to the benefits which will accrue over the years. It is estimated that increasing the compensation of the approximately 240 top-bracket positions covered in the bill will cost \$1,240,000 annually.

In the opinion of those who have studied the problem, the costs involved in not taking the steps provided for in this bill are many times greater than the outlays required to implement it. There is the general cost to our society, if our Government is not fully effective in view of the tremendous role it must play in these times. The cost of losing our most able administrators and the ensuing costs when we are not able to fill the vacated jobs with equivalent talent is heavy. There are the great and unfortunate costs which occur when we lose individuals who have gained experience just at the time when they were ready to be most useful. Finally, there is involved the whole problem of recruiting talented young people. The losses in training costs and future effectiveness are great when we fail to attract our most able young men and women because of an unattractive top-level salary scale.

Mr. President, I should like to invite the Senate's attention at this time to some statistics. I have two exhibits. The first one is a statement of the comparative purchasing power of a \$10,000 salary income for a married man, his wife, and two children, for the 10-year period 1939 through 1948. It will be noted, from a glance at this exhibit, that a \$10,000 salary in 1939 was taxed \$343, so that after taxes the man had \$9,657, which had a purchasing power of \$9,657.

In 1948, on the same salary, he paid taxes amounting to \$1,264.16. The balance, after taxes, was \$8,735.84. The dollar valuation had decreased to 58.1 percent, which gave him a purchasing power of only \$5,075.52.

It will be found that for a single man, receiving a \$10,000 salary for the 10-year period from 1939 through 1948, the taxes were greater.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks the two exhibits to which I have referred.

There being no objection, the exhibits were ordered to be printed in the RECORD, as follows:

*Comparative purchasing power of \$10,000 salary for the 10-year period, 1939 through 1948*

MARRIED MAN, WIFE, AND TWO CHILDREN

Calendar year	Salary income	Federal income tax	Balance after tax	Percent dollar value <sup>1</sup>	Purchasing power
1939.....	\$10,000	\$343.00	\$9,657.00	100.0	\$9,657.00
1940.....	10,000	400.00	9,600.00	99.2	9,523.20
1941.....	10,000	1,117.00	8,883.00	94.5	8,394.44
1942.....	10,000	1,914.00	8,086.00	85.3	6,897.35
1943.....	10,000	2,175.53	7,824.47	80.4	6,290.87
1944.....	10,000	2,020.00	7,980.00	79.2	6,320.16
1945.....	10,000	2,020.00	7,980.00	77.4	6,176.52
1946.....	10,000	1,719.50	8,280.50	71.4	5,912.28
1947.....	10,000	1,719.50	8,280.50	62.4	5,167.03
1948.....	10,000	1,264.16	8,735.84	58.1	5,075.52
Average, 10 years.....	10,000	1,469.27	8,530.73	81.4	6,941.44
Suggested increase to produce 10-year average purchasing power.....	14,000	2,100.00	11,900.00	58.0	\$ 9,600.00
Suggested increase to produce 1939 value purchasing power.....	20,400	3,800.00	16,600.00	58.0	\$ 9,600.00

Footnotes at end of table.



Comparative purchasing power of \$10,000 salary for the 10-year period, 1939 through 1948—Continued

## SINGLE MAN

Calendar year	Salary income	Federal income tax	Balance after tax	Percent dollar value <sup>1</sup>	Purchasing power
1939.....	\$10,000	\$480.00	\$9,520.00	100.0	\$9,520.00
1940.....	10,000	520.00	9,480.00	99.2	9,404.16
1941.....	10,000	1,492.50	8,507.50	94.5	8,039.59
1942.....	10,000	<sup>2</sup> 2,390.00	7,610.00	85.3	6,491.33
1943.....	10,000	2,741.60	7,258.40	80.4	5,835.75
1944.....	10,000	2,570.00	7,430.00	79.2	5,884.56
1945.....	10,000	2,570.00	7,430.00	77.4	5,750.82
1946.....	10,000	2,185.00	7,815.00	71.4	5,579.91
1947.....	10,000	2,185.00	7,815.00	62.4	4,876.56
1948.....	10,000	2,152.70	7,847.30	58.1	4,559.28
Average 10 years.....	10,000	1,928.68	8,071.32	81.7	6,594.20
Suggested increase to produce 10-year average purchasing power.....	15,000	3,700.00	11,300.00	<sup>3</sup> 58.0	6,600.00
Suggested increase to produce 1939 value purchasing power.....	24,600	8,200.00	16,400.00	58.0	9,500.00

<sup>1</sup> Dollar value obtained from Bureau of Labor Statistics.

<sup>2</sup> 75 percent of tax relieved in 1943, placing taxpayer on pay-as-you-go plan.

<sup>3</sup> These figures adjusted to nearest even \$100.

Mr. JOHNSTON of South Carolina. Mr. President, in closing, the implication of this bill which is most important should be spoken of. This is a bill which can make a very significant contribution toward preserving and actually toughening the fibers of our democracy. We want for these positions men who are equipped by capacity and experience to serve, rather than those who can afford financially to do so. For if we fail to provide financial returns sufficient to attract the able men who are not independently wealthy, we shall be forced to limit top appointments to those having private fortunes. We have been forced to depend too often in the past on wealthy men. It is not that we have failed to secure in many cases the highest, most public-interest-motivated service from such men. It is the fact that leadership drawn exclusively from a financial elite is incompatible with our democratic system.

If we in the Congress truly believe in the principle that men should have the opportunity to rise to the highest positions which their ability will permit, it is our responsibility to provide a realistic pay scale, which will allow Government to compete on a reasonable basis for its personnel with all other enterprise.

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks some figures showing the salaries paid to Members of Congress over a period of years in the past, and the salaries paid to Cabinet members.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Members of Congress:	Per day
Until 1817.....	\$6
1817-55.....	8
Per annum	
1855-65.....	\$3,000
1865-1907.....	5,000
1907-25.....	7,500
1925-47.....	10,000
1947-present.....	12,500
Cabinet:	
1817-53.....	( <sup>1</sup> )
1853-73.....	8,000
1873-74.....	10,000
1874-1907.....	8,000
1907-25.....	12,000
1925-present.....	15,000

<sup>1</sup> No uniformity (not more than \$3,000).

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Vermont [Mr. FLANDERS] to the committee substitute.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. I should like to get clear in my mind how much the bill as reported by the Senate committee will increase the annual cost of Government.

Mr. JOHNSTON of South Carolina. It will increase it \$1,242,000 annually.

Mr. McCLELLAN. How does that compare with the increases contained in the bill as it passed the House?

Mr. JOHNSTON of South Carolina. Under the House bill costs would be increased \$1,254,000.

Mr. McCLELLAN. So that the Senate version increases the cost of Government a little less than the House version of the bill?

Mr. JOHNSTON of South Carolina. The Senate bill is slightly lower. The bill as passed by the House increases Government costs \$1,254,667.20. As proposed by the Senate committee, the increase is \$1,242,426.20.

Mr. McCLELLAN. So, the Senate figure is about \$12,000 less than the House figure?

Mr. JOHNSTON of South Carolina. The Senate committee figure is about \$12,000 less than the figure in the bill as it passed the House.

Mr. McCLELLAN. I do not know whether the Senator is familiar with the amendment in the nature of a substitute, but I should like to know what the pending amendment in the nature of a substitute will increase the cost of Government.

Mr. JOHNSTON of South Carolina. We have not fully analyzed the Senator's amendment, but the cost would be considerably less.

Mr. McCLELLAN. It is not by amendment; it is an amendment sponsored by some 30 Senators.

Mr. LONG. Mr. President, will the Senator yield on that point?

Mr. McCLELLAN. Perhaps the Senator from Colorado can give us the answer.

Mr. JOHNSON of Colorado. Our best estimate is that the substitute would

cost \$1,000,000, which would be \$254,000 less than the House bill figure, and \$242,000 less than the Senate committee bill.

Mr. JOHNSTON of South Carolina. That seems to be pretty well in line. We have not analyzed it.

Mr. JOHNSON of Colorado. That is an estimate.

Mr. LONG. Mr. President, from the best calculation I have been able to work out, the substitute offered by the Senator from Colorado would reduce the gross amount by about half a million dollars, from \$1,200,000 to about \$700,000.

Mr. WHERRY. Mr. President, in order to have the RECORD straight, what is the total amount of increase of the appropriation in the bill as it passed the House?

Mr. JOHNSTON of South Carolina. The increase in the bill as it passed the House is \$1,254,667.20.

Mr. WHERRY. What is the increase in the Senate committee bill—the one which the distinguished Senator is now discussing?

Mr. JOHNSTON of South Carolina. The increase in the Senate committee bill is \$1,242,426.20.

Mr. WHERRY. What is the increase in the substitute bill?

Mr. JOHNSTON of South Carolina. No one knows exactly. Some of the authors say it increases the amount by at least a quarter of a million dollars, but, personally, I would think it would be a little more than that.

Mr. JOHNSON of Colorado. A quarter of a million dollars is a very conservative estimate.

Mr. WHERRY. So that the net amount would be about \$750,000?

Mr. JOHNSON of Colorado. Between \$750,000 and \$1,000,000.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS] to the committee substitute.

Mr. JOHNSON of Colorado obtained the floor.

Mr. LONG. Mr. President, will the Senator from Colorado yield for a question?

Mr. JOHNSON of Colorado. I yield to the Senator from Louisiana.

Mr. LONG. It is my understanding that the Senator from Colorado proposes to offer a substitute to the committee amendment, and I shall ask unanimous consent that the substitute be considered before the perfecting amendments to the committee amendment, and that in the event the substitute shall be adopted, the substitute then be open to perfecting amendments from the floor.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. The substitute would be an amendment to the committee amendment, would it not? A parliamentary inquiry. If the substitute is an amendment to the committee amendment, then there can be no doubt about amendments being offered in the second degree and being permitted.

The PRESIDING OFFICER. The substitute is offered from the floor in lieu of the committee substitute. Is that correct?



Mr. JOHNSON of Colorado. My understanding of the parliamentary situation is that if the substitute bill is offered and adopted, it cannot then be amended.

The PRESIDING OFFICER. Under the general procedure, that is correct.

Mr. JOHNSON of Colorado. What we are asking is that the substitute amendment to the committee amendment be agreed to, and that we have unanimous consent to perfect it after it has been agreed to, contrary to the regular rule.

Mr. WHERRY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Is not a substitute amendment, before it is substituted for the committee amendment, open to amendment?

Mr. JOHNSON of Colorado. Yes.

Mr. WHERRY. Why can we not proceed on that basis, and when the substitute is perfected, offer it as a substitute for the committee amendment? Then no Senator will be foreclosed from offering an amendment to the substitute.

The PRESIDING OFFICER. That is the regular procedure.

Mr. WHERRY. I do not want in any way to obstruct, I want to cooperate 100 percent with the distinguished Senator from Colorado. If there is some consideration different from what I have stated, I should like to know it.

Mr. LONG. May I explain my request for unanimous consent?

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. There are many amendments which have been offered to the committee amendment. The entire bill is in the nature of a committee amendment to a House bill. It would be a useless waste of time for us to vote on all these amendments and perfect the committee amendment only to find the substitute adopted. If the substitute should be defeated, the committee amendment would once again be open to amendment, and all amendments could be voted on. On the other hand, it would likewise be a useless waste of time for us to debate amendments to the substitute only to see the substitute defeated. Therefore, in order to save the time of the Senate, I ask that the substitute be considered prior to the perfecting amendments to the committee amendment, and then if the substitute is adopted, that it then be open to amendments of a perfecting nature.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Reserving the right to object—

Mr. JOHNSON of Colorado. Mr. President, the point is, as the Senator from Louisiana has pointed out, that it seems to us that it would clarify everything if we could find out what the main bill is on which we are working. There are a great many amendments, and we do not want to foreclose any of them. We do not want to shut out any amendment or the consideration of any amendment. The difficulty is that we are dealing with a double-headed animal, and we

do not know which head is going finally to prevail. If we can determine whether the substitute or the committee amendment is to be the bill, it seems to me it will help everyone having amendments, if he can offer them to the bill which will finally be adopted.

Mr. McCLELLAN. Mr. President, I wish to make the observation that I have no objection personally to the procedure which has been suggested, but the parliamentary situation was clarified this morning with reference to amendments being offered. The unanimous-consent agreement would permit the substitute to be adopted, and if the majority of the Senate adopted it, we would be working on one bill. I have no objection to that except it has occurred to me that a number of Senators who may have amendments to offer, are absent from the Senate Chamber. They are not here to take part in deciding what the Senate should do.

Mr. JOHNSON of Colorado. Let me say, Mr. President, that they would be protected.

Mr. McCLELLAN. I have no objection—

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. JOHNSTON of South Carolina. I should like to have included in the request that if any Senator has an amendment on the desk, he will be permitted to offer it to the substitute, if the substitute be adopted. That would protect the rights of Senators who have amendments at the desk.

The PRESIDING OFFICER. The Chair rules that such an amendment could be offered to either the substitute or to the committee amendment.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. I want the unanimous-consent request to include the provision that if the proposed procedure is followed, amendments may be offered to the substitute; and that if the proposal to adopt the substitute does not prevail, the amendments may be offered to the committee amendment. That is, that amendments may be offered to whichever of the two should be adopted.

Mr. JOHNSON of Colorado. That is the purpose of the request.

Mr. LONG. That is the effect of the request; that at no stage shall any Senator be shut off from offering his amendments to whatever happens to be before the Senate, whether it be the substitute or the committee amendment.

The PRESIDING OFFICER. Of course, the Senate understands that if the Johnson substitute should be adopted that disposes of the committee amendment. That is the way the Chair understands it.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. It is the understanding of the minority leader that if the substitute prevails it will be open and subject to amendment as if it were the committee bill itself.

The PRESIDING OFFICER. Yes, that is correct.

Mr. WHERRY. So no Senator would be foreclosed either if the substitute prevails or if the committee amendment prevails; amendments can be offered to either one which prevails, and no Senator will be shut off from offering amendments.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. McCARTHY. I wish to see if I am correct in my understanding of the situation. Normally, under the rule, after a substitute is offered and accepted, it being an entire substitute measure, no more amendments can be offered. The effect of the unanimous-consent request is that Senators be given opportunity to offer amendments to the substitute and that no Senator's right to offer amendments shall be cut off by entering into the unanimous consent agreement.

Mr. JOHNSON of Colorado. As I understand the situation, if my substitute is adopted by the Senate, then, under the rule, no amendment can be offered to it. We want to reverse that situation and leave the substitute open to amendment.

Mr. McCARTHY. The request also provides that if the Senator's substitute is not adopted, then the committee amendment will be open to amendment.

Mr. JOHNSON of Colorado. Yes. That is so under the Senate rule.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the Johnson substitute be open to amendment in the event it is agreed to?

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILLIAMS. I understand that if the request is agreed to, a motion to recommit the bill would be in order at any time?

The PRESIDING OFFICER. Yes. That is always in order. Is there objection to the unanimous-consent request?

Mr. WHERRY. Mr. President, reserving the right to object, I wish to say that any other applicable motion would be in order. I want to say now for the benefit of the distinguished Senator from Delaware that the unanimous-consent request includes the provision that if, prior to the time of taking the vote, a motion to recommit is made, it will be in order.

The PRESIDING OFFICER. The Chair so understands. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Colorado. Mr. President, I desire to call up the amendment in the nature of a substitute offered by me on behalf of myself and other Senators, and I ask that it be stated.

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). The amendment will be stated. The Chair suggests to the Senator from Colorado that perhaps he would rather have the substitute printed in the RECORD in full without reading.



Mr. JOHNSON of Colorado. I would just as soon have the substitute read. It is not too long.

The PRESIDING OFFICER. The amendment in the nature of a substitute offered by the Senator from Colorado [Mr. JOHNSON] for himself and other Senators will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$22,500 per annum; the rate of basic compensation of the Under Secretary of Defense shall be \$20,000 per annum.

SEC. 2. (a) Section 105 of title 3 of the United States Code is amended to read as follows:

"COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$15,000 per annum."

(b) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows—

Mr. BRIDGES. Mr. President, I should like to make an inquiry.

The PRESIDING OFFICER. What is the purpose of the Senator's inquiry?

Mr. BRIDGES. In the reading of the amendment the distinguished Senator from Delaware and I noted that the clerk read language which is not contained in the printed substitute we have. Is that correct?

Mr. JOHNSON of Colorado. There are a few perfecting amendments.

The PRESIDING OFFICER. The Chair will state that the clerk is reading the amendment in the nature of a substitute offered by the Senator from Colorado. The Chair does not know whether the substitute which the clerk is reading is the same as the printed substitute in the hands of Senators.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Is not the question of the distinguished Senator from New Hampshire in order, as to whether the language of the substitute being read by the clerk is different from the language of the printed substitute?

The PRESIDING OFFICER. It is in order for the Senator from New Hampshire to ask the question he did. The clerk will continue to read.

The legislative clerk resumed and concluded reading the amendment, as follows:

"The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."

(c) The rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be \$15,000 per annum.

SEC. 3. (a) The rate of basic compensation of the Comptroller General of the United

States, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, the Deputy Under Secretaries of State, each under secretary of an executive department, the Assistant to the Attorney General, the Solicitor General of the United States, the First Assistant Postmaster General, the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Public Printer, the Librarian of Congress, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Director of the Federal Bureau of Investigation, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, the members of the Civil Aeronautics Board, the Administrator of Civil Aeronautics, the members of the Federal Communications Commission, the members of the Federal Power Commission, the members of the Interstate Commerce Commission, the members of the National Labor Relations Board, the members of the National Mediation Board, the members of the Railroad Retirement Board, the members of the Securities and Exchange Commission, the members of the Board of Directors of the Tennessee Valley Authority, the members of the Civil Service Commission, the members of the United States Tariff Commission, the General Counsel of the National Labor Relations Board, the Architect of the Capitol, each assistant secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury), each Assistant Attorney General, the Counselor of the Department of State, the Philippine Alien Property Administrator, members of the Board of Directors of the Export-Import Bank of Washington, members of the Board of Directors of the Reconstruction Finance Corporation, members of the United States Maritime Commission, the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal, the Commissioner of Internal Revenue, the Commissioner of Public Roads, Administrator, Rural Electrification Administration, the three special assistants to the Secretary of Defense, shall be at the rate of \$15,000 per annum.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$15,000 a year."

SEC. 4. (a) The rate of basic compensation of the Assistant Comptroller General; the Assistant Director of the Bureau of the Budget; the Deputy Administrator of Veterans' Affairs; the Assistant Federal Security Administrator; the Deputy Administrator of General Services; the Housing Expediter; the Director of Selective Service; the Assistant Architect of the Capitol; members of the Displaced Persons Commission; members of the Indian Claims Commission; members of the War Claims Commission; members of the Philippine War Damage Commission; the Assistant Solicitor General of the United States; the Second, Third, and Fourth Assistant Postmaster General; the Associate Federal Mediation and Conciliation Director; the Deputy Director of Central Intelligence; the Chief Assistant Librarian of Congress; the Deputy Public Printer; the Commissioners of the United States Court of Claims; the Archivist of the United States; the Administrator, Production and Marketing Administration; the Director of the Bureau of Prisons; the Commissioner of Public Buildings; the Commissioner of Community Facilities; the Commissioner of Immigration and Naturalization; the Commissioner for Social Security; the Commissioner of Reclamation; the Chief, Soil Con-

servation Service; the Commissioner of Customs; the Commissioner of Narcotics; the Governor of the Farm Credit Administration; the Chief Forester of the Forest Service; the Administrator of the Farmers Home Administration; the Manager of the Federal Crop Insurance Corporation; and the Director of the Bureau of Federal Supply, shall be at the rate of \$14,000 per annum.

(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$14,000 a year."

(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

SEC. 5. Except as provided in the first section and in section 2, nothing contained in this act shall be construed to increase by more than 50 percent the rate of basic compensation of any office or position, or to increase any such rate to an amount in excess of \$15,000 per annum.

SEC. 6. The applicable appropriations for the fiscal year ending June 30, 1950, shall be available for payment of the compensation at the rate established for any position by or pursuant to this act unless it is specifically provided that such appropriation shall not be available for such purpose.

SEC. 7. This act shall take effect on the first day of the first pay period which begins after the date of enactment of this act.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BRIDGES. I should like to ask the distinguished Senator from Colorado if he will indicate to the Senate the differences between the substitute as read by the clerk and the printed substitute which is in the possession of Senators. I point out to the distinguished Senator from Colorado that as I understood the reading of the substitute it referred to the Under Secretary of Defense. I believe that should be the Deputy Secretary of Defense in the final wording of the bill.

Mr. JOHNSON of Colorado. The Senator is correct. It should be the Deputy Secretary of Defense instead of the Under Secretary of Defense.

The PRESIDING OFFICER. Without objection, the clerks will be authorized to change the word "Under" to the word "Deputy."

Mr. JOHNSON of Colorado. That is the correct title.

Mr. President, I shall read the changes in the substitute, if Senators will follow their copies.

On page 2, line 3, change the period to a semicolon after the words "per annum" and add these words:

The rate of basic compensation of the Deputy Secretary of Defense shall be \$20,000.

On page 2, between lines 20 and 21, add the following new paragraph:

(c) The rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be \$15,000 per annum.

On page 3, line 1, after the comma following "Services" this language is inserted:

The Deputy Under Secretaries of State.

Mr. WHERRY. Mr. President, will the Senator yield?



Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. Is that in the singular or plural? Is it "Secretaries" or "Secretary"?

Mr. JOHNSON of Colorado. "Under Secretaries."

Mr. WHERRY. It is in the plural.

Mr. JOHNSON of Colorado. Yes.

On page 4, line 21, the language "the Deputy Under Secretaries of State" is stricken out.

Those are the only changes in the substitute.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILLIAMS. It is my understanding that an amendment to the substitute would be in order at this time.

The PRESIDING OFFICER. The Chair will say to the Senator from Delaware that the substitute has not yet been voted upon. An amendment to the committee amendment is in order. If the Senator merely wishes to present his amendment and have it lie on the table, that may be done. By unanimous consent it has been agreed by the Senate that amendments to either the substitute or the bill, depending upon which prevails, will be in order.

Mr. WILLIAMS. Either before or after?

The PRESIDING OFFICER. Either before or after.

Mr. WILLIAMS. I send to the desk an amendment to the substitute.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. McFARLAND. It was my understanding that we were to vote on the substitute first, and that no amendments were to be offered before the vote on the substitute. Then, after the vote on the substitute, if the substitute prevails, amendments may be offered to the substitute. If the substitute should not prevail, amendments could be offered to the committee amendment. It was the unanimous-consent agreement, as I understood it, that no amendments were to be offered until after the vote.

The PRESIDING OFFICER. The Senator from Arizona is correct. The Chair understood that the Senator from Delaware merely wishes to present his amendment and have it lie on the table until the substitute offered by the Senator from Colorado [Mr. JOHNSON] is disposed of.

Mr. WILLIAMS. That is perfectly satisfactory to me.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be received and lie on the table.

Mr. JOHNSON of Colorado. Mr. President, as we all very well understand, legislation is a matter of compromise, resolving differences between us and trying to arrive at something which is satisfactory to the majority.

In connection with this executive pay bill for the Federal Government service, we found great controversy in regard to the amount of the salaries which should be paid. Different schools of thought and many different ideas prevail and have prevailed among Senators. There

was, and is now, a group of Senators who feel that the bill should be recommitted to the Committee on Expenditures in the Executive Departments.

The pending bill was more or less brought forth by the Hoover Commission. The Senate Committee on Expenditures in the Executive Departments, headed by the very able senior Senator from Arkansas [Mr. McCLELLAN], as chairman, has considered all the Hoover Commission's proposals on this subject. The committee has gone over them backwards and forwards. Since this subject was dealt with by one of the proposals of the Hoover Commission, there are a great many Senators who believe that committee should go over the salary list and the proposed salary expenditures provided by the Hoover Commission report, and should submit a report to the Senate. There is no question at all that the Senate Committee on Post Office and Civil Service has a legal right to report the bill; there cannot be any question at all about that, for the rule is explicit on that point. But inasmuch as the Hoover Commission had made a proposal on this subject, it was felt that an exception should be made in regard to the reference of the bill, and that the Senate Committee on Expenditures in the Executive Departments should have some voice in the matter. So, Mr. President, there was, and still is, a large group of Senators who feel that a matter of the importance of this measure should be referred to that committee for its review and recommendations.

Mr. President, we now are drawing, we hope, to the close of the present session; we hope this session of Congress will not continue for more than a few weeks longer, at the most. So it is evident that bills which are recommitted at this time, for further study and consideration, may be going to a graveyard, so far as the possibilities of having them acted on by the Congress at the present session are concerned.

There are a great many Senators who feel that Congress should increase the pay in many of the categories of positions in the executive departments. So there was some objection to having the bill recommitted, so that it would again be before the committee, perhaps for so long a period of time that no legislation at all on the subject would be enacted at this session. So we were able to work out what we regard as a compromise.

I think most Senators feel that in many cases the executive departments are badly underpaid. Certainly that is my feeling; I believe that increases in salaries should be made. However, in my opinion we should be very careful not to overdo the increase in salaries, particularly at a time when our budget is not balanced, and at a time when it seems quite likely that for this fiscal year we shall have a deficit of perhaps \$8,000,000,000. So it seems that we should go very slowly in respect to this matter.

Furthermore, we know that a demand for a fourth round of wage increases is sweeping the country at the present time. In that connection, there is considerable unrest among the workingmen and the labor organizations in the United States.

None of them are asking for great wage increases, but they are asking for some increases.

The bill reported from the Committee on Post Office and Civil Service called for 100-percent salary increases in some categories, and for 66⅔-percent increases in many others. Those are sizable increases. Of course, a 100-percent increase in salary is a very large increase.

So, Mr. President, in working out this compromise we tried to be modest in regard to the increases in salaries we proposed, but at the same time to be fair.

Of course, all of us realize that the action taken at this time will not be the final action which Congress will take on this subject, for undoubtedly future Congresses will deal with it. We also realize that if inequities exist in the present substitute and compromise—although I doubt whether any do exist—they can be dealt with and rectified by Congress at a subsequent time.

I wish to read one section of the substitute—section 5—which in a way states the position of a great many of the Members of this body:

SEC. 5. Except as provided in the first section and in section 2, nothing contained in this act shall be construed to increase by more than 50 percent the rate of basic compensation of any office or position, or to increase any such rate to an amount in excess of \$15,000 per annum.

Mr. President, a few moments ago the Senator from Vermont [Mr. FLANDERS] was speculating on where the \$15,000 limitation came from. He surmised that it must have been fixed because \$15,000 is the salary of Members of Congress. So far as I am concerned, speaking only for myself on that point, he is correct; the \$15,000 limitation placed on salaries in this measure is the limitation now fixed by law for the compensation of the Members of Congress.

Of course, Mr. President, there are in the Capital of the Nation a great many commissions which are considered to be arms of the Congress. They exercise quasi-legislative and quasi-judicial functions and powers. There are seven or eight of them, as I recall, including the Interstate Commerce Commission, the Federal Communications Commission, the Federal Trade Commission, the Federal Power Commission, and several others. I believe there are approximately eight such commissions which generally are considered by governmental experts to be arms of the national legislature. In other words, those commissions and the commissioners serving under the law creating them are the creatures of the Congress. Under the pay bill which was reported from the Committee on Post Office and Civil Service, many of those commissioners would be paid salaries higher than the salaries paid to Members of Congress. To a great many of us, it would be very offensive to have the top officials of a creature of the Congress receive more pay than that received by the Members of the body which created it, and also in view of the fact that such an agency does work which is less important than the work done by the Congress itself. Certainly the Congress must develop policies for the entire coun-



try, whereas the commissions deal merely with a small fragment of the country and a small fragment of the total economy of the country. Therefore, to many of the Members of Congress it would be severely offensive to have the top officials of such Government agencies receive salaries greater than the salaries of Members of Congress; at least, such a situation would be most offensive to me.

I again call attention to section 5 of the proposed substitute, which provides that the rate of compensation of any office or position shall not be increased by more than 50 percent. That is a rather good-sized increase. There are certain exceptions to the increase, but they can be counted on the fingers of one hand. Other than that, we have tried to hold the increase to 50 percent or less of the basic compensation which any office or position now pays.

We then adopted an over-all ceiling of \$15,000. I say to the very able Senator from Vermont [Mr. FLANDERS], to the other Members of the Congress, and to the people generally, that the figure of \$15,000 was not picked out of the air at random. It was selected deliberately, because it is the present and current salary of Members of Congress. In many instances it amounts to a 50-percent increase in the compensation of officials in the executive department. In almost every instance that is true. They are now paid \$10,000, and when we increase them to \$15,000, it is a 50-percent increase. That is a sizable increase.

I started to say a while ago we are having a fourth round of wage demands. I have not heard of any of these wage demands urging a 50-percent increase. The Nation has been shocked in some instances because as much as 20, 25, and 30 percent has been asked. Such increases have been felt to be extremely high. Those were the increases mentioned for bargaining purposes. Those who demanded them expected to sit around a table and to hear management whittle them down. But they did not start with 50 percent. In the case of Federal employees there is no such arrangement. They do not sit around a bargaining table. They do not have to deal with management. We are going to decide the matter, and we are not setting the figure high in the expectation that it is going to be reduced. We are now fixing the final figure, and, as I have said, an increase of 50 percent is a very sizable increase.

Furthermore, most of the wage demands made by the workers of the country include demands for pension, retirement pay, compensation of one kind and another, and all such things. I point out to the Senate, to the Congress, and to the people of the country, that employees in the executive department of the Government have one of the most liberal retirement programs and one of the most liberal pension programs to be found in the country. I think it is right that it should be that way. I think we should assume leadership in that respect. But the persons who are to participate in those pension and retirement programs do not pay the entire cost of the programs. They pay a part of it, but

the larger part of the payments are assumed by the Government of the United States. That is as it should be. I am very much in favor of it. I think it is very desirable. I believe it is a splendid thing for the Government of the United States to set an example of that kind for the country in the payment of employees. But employees in the executive department of the Government do not have to come forward to ask for a liberal retirement plan and a liberal pension plan. We have already provided such plans, and they are liberal.

I refer again to the substitute as a compromise; which is what it is. We tried to bring Members of the Senate together and to prepare a measure on which they could agree. A good compromise never suits everyone. Frequently it does not suit anyone. But we think we have worked out something that is equitable, just, and generous. We think it should be adopted by the Senate.

Mr. LANGER. Mr. President—

The PRESIDING OFFICER. Before the Senator from North Dakota is recognized, the Chair announces, for the benefit of Senators, that the question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Colorado [Mr. JOHNSON], for himself and several other Senators.

Mr. LANGER. Mr. President, the astounding and extraordinary proposal of the distinguished Senator from Colorado [Mr. JOHNSON] simply amazes me. Under the La Follette-Monroney Act, it is specifically provided that the Committee on Post Office and Civil Service shall have jurisdiction of "the status of officers and employees of the United States, including their compensation, classification, and retirement." The Senator's proposition now is to refer the bill to the Committee on Expenditures in the Executive Departments. His position is that that committee must be consulted.

Why did not the distinguished Senator appear before our committee? For nearly 2 years the distinguished Senator from Vermont [Mr. FLANDERS] conducted hearings. There was not a day when the Senator from Vermont and the Senator from Connecticut [Mr. BALDWIN], as a majority of the Republican members at that time, and Senator O'CONNOR, of Maryland, would not have been glad to hear the distinguished Senator. He now offers an amendment. Who are the cosponsors of the amendment? Did the distinguished Senator from Colorado ever appear before our committee? Did the Senator from Texas [Mr. CONNALLY] ever appear? Did the Senator from Georgia [Mr. GEORGE] ever appear? Did the Senator from South Carolina [Mr. MAYBANK] ever appear? Did the Senator from Arizona [Mr. McFARLAND] ever appear to say "We have a good proposition, here"? Did the Senator from Virginia [Mr. ROBERTSON] ever appear? Did the Senator from Georgia [Mr. RUSSELL] ever appear? Did the Senator from Kentucky [Mr. WITHERS] ever appear? Did the Senator from Kentucky [Mr. CHAPMAN] ever appear? Did the Senator from Mississippi [Mr. EASTLAND] ever appear? Did the Senator from

Mississippi [Mr. STENNIS] ever appear? Did the Senator from Louisiana [Mr. ELLENDER] ever appear? Did the Senator from Alabama [Mr. SPARKMAN] ever appear? Did the Senator from Iowa [Mr. GILLETTE] ever appear? Did the Senator from Florida [Mr. HOLLAND] ever appear? Did the Senator from North Carolina [Mr. HOEY] ever appear? Did the Senator from Arkansas [Mr. FULBRIGHT] ever appear? Did the Senator from Virginia [Mr. BYRD] ever appear? Did the Senator from Ohio [Mr. TAFT] ever appear? Did the Senator from Michigan [Mr. FERGUSON] ever appear? Did the Senator from Washington [Mr. CAIN] ever appear? Did the Senator from Nebraska [Mr. WHERRY] ever appear? Did the Senator from Nebraska [Mr. BUTLER] ever appear? Did the Senator from Nevada [Mr. MALONE] ever appear? Did the Senator from New Jersey [Mr. HENDRICKSON] ever appear? Did the Senator from Utah [Mr. WATKINS] ever appear? Did the Senator from Indiana [Mr. JENNER] ever appear? Did the Senator from Kansas [Mr. SCHOEPPEL] ever appear? Did the Senator from Pennsylvania [Mr. MARTIN] ever appear? Did the Senator from Missouri [Mr. KEM] ever appear? Did the Senator from Ohio [Mr. BRICKER] ever appear? Did the Senator from New Hampshire [Mr. TOBEY] ever appear?

The Committee on Post Office and Civil Service is a pretty good committee, Mr. President. Apparently Senators sponsoring the amendment do not think so. But I will put the distinguished Senator from Vermont against any one of the cosponsors of the substitute amendment. He sat as chairman of the subcommittee day after day, week after week, month after month, for nearly 2 years. During this time every department appeared before this committee, of which the Senator from Connecticut [Mr. BALDWIN] and the Senator from Maryland [Mr. O'CONNOR] were members.

The Democratic member on the committee was the Senator from Maryland. Over a year went by. This year, the distinguished Senator from South Carolina [Mr. JOHNSTON] appointed, I thought, an extraordinarily good committee. Its chairman was the Senator from Louisiana [Mr. LONG]. The Senator from Minnesota [Mr. HUMPHREY] is on it. There are other members of the committee, some of whom have had experience for the past year and a half. Yet, Mr. President, although the law says the Committee on Post Office and Civil Service shall have full jurisdiction of "the status of officers and employees of the United States, including their compensation, classification, and retirement," what do we find? We find an attempt to discharge the committee. That is exactly what it amounts to. It amounts to saying the committee is incompetent, although it is a good committee. I am a member of it. Mr. President, I voted against the executive pay bill when it came up in committee unless the employees in the lower brackets are included. I am not for it unless they are included in the bill.

Nevertheless, a majority of the committee voted to report the bill. There



was a minority of two Senators. I was joined by the distinguished Senator from Montana [Mr. ECTON]. To my amazement, after the very fine work done by the subcommittee headed by the distinguished Senator from Louisiana [Mr. LONG], and after extended hearings, when witness after witness appeared, including representatives of the Bureau of the Budget and the heads of all the departments, including the Civil Service Commission, the distinguished Senator from Colorado says that in some cases the increases amount to 100 percent. If certain individuals have not had an increase in salary since 1925, why should they not be increased 100 percent?

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FLANDERS. Some of them have not had an increase since 1912.

Mr. LANGER. That is correct.

Certain Senators are totally ignorant of the facts. They have not been present at the hearings; they have not appeared. It would be just as sensible if the Committee on Post Office and Civil Service should draw up a bill dealing with interstate and foreign commerce, of which committee the distinguished Senator from Colorado is a member.

So, Mr. President, I want to make it plain that there have been conducted long and extended hearings, resulting in many volumes of testimony. The distinguished Senator from Virginia [Mr. BYRD] was a member of the committee when we debated as to what should be done. If the bill is not satisfactory, of course it can be amended. But I cannot understand why, Mr. President, of a group of Senators, none of whom offered a single amendment, none of whom was sufficiently interested to appear before the committee, come forward at this time and are offering an amendment in the nature of a substitute and making the suggestion that it should be referred to the Committee on Expenditures in the Executive Departments, taking it out of the hands of the Committee on Post Office and Civil Service.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. JOHNSON of Colorado. I am sure the Senator misunderstood my remarks.

Mr. LANGER. I listened very carefully to them.

Mr. JOHNSON of Colorado. This is a substitute bill. The proposal is not to send it to any other committee. There was sentiment in this body to send it to the Committee on Expenditures in the Executive Departments for study, but I followed it up by stating very clearly that the law provides that the committee which the Senator from North Dakota represents should report the bill to the Senate. But there is a sentiment in the Senate which inclines to the view that it should be sent to the Committee on Expenditures in the Executive Departments for review by that committee.

That is what I said, and I do not want the Senator to change my statement.

Mr. LANGER. Let me say to the distinguished Senator that there is a great deal of sentiment in the Senate against

sending so much money to England or to some other foreign nation, but no Senator has ever proposed that a bill reported by the Committee on Foreign Relations should be referred to the Committee on Post Office and Civil Service or to some other committee.

Mr. JOHNSON of Colorado. The bill providing for the arms program, which was reported by the Committee on Foreign Relations, was voted on by that committee and the Committee on Armed Services. It was considered and voted on by both committees.

Mr. LANGER. That is one exception. The question arose on the Senate floor, and it was agreed that the two committees should hold joint sessions and consider the bill.

But I am proud, Mr. President, of the Committee on Post Office and Civil Service. In my opinion, it matches any committee of the Senate. Let me read the names of its members:

OLIN D. JOHNSTON, of South Carolina, who has been the Governor of his State.

KENNETH McKELLAR, of Tennessee, the dean of the Senate.

The place of the Senator from Maryland [Mr. O'CONNOR] was taken by the Senator from Minnesota [Mr. HUMPHREY], who has been an outstanding mayor of one of our largest cities.

FRANK P. GRAHAM, of North Carolina, an outstanding citizen, named by the President time and time again to go upon foreign missions in behalf of our country.

MATTHEW M. NEELY, of West Virginia, who has been a Member of the Senate previously, and who has been Governor of his State on several occasions and also served several terms in Congress.

J. ALLEN FREAR, JR., of Delaware, one of the outstanding businessmen of that State.

I leave myself out.

Next, RALPH E. FLANDERS, of Vermont, who has been decorated by the Society of Engineers of the United States and who is one of the great statesmen of the century.

Then we have RAYMOND E. BALDWIN, of Connecticut, who has been Governor of his State.

Next, there is EDWARD J. THYE, of Minnesota, who has been Governor of that State, has been a member of the State legislature, and is a good Republican.

Next, ZALES N. ECTON, of Montana, one of the outstanding citizens of that State, and who has for years had experience in the legislature of his State.

ROBERT C. HENDRICKSON, an outstanding citizen of the State of New Jersey.

Mr. President, it seems to me to be ridiculous, in view of the outstanding character of the men who compose the committee, even to suggest that some other committee should consider this bill.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MAYBANK. I wish to express my regret that I could not be present to hear all of the Senator's statement.

Mr. LANGER. I will say, in conclusion, that I do not know of any subcom-

mittee which has ever worked harder on a bill than has the subcommittee referred to. I commend especially the distinguished Senator from Louisiana [Mr. LONG], who has done an outstanding job, although I do not agree with his conclusions, and I voted against the bill.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. I do not know whether the Senator is advised, but I want to assure him that as chairman of the Committee on Expenditures in the Executive Departments, neither the chairman nor any member of the committee, so far as I know, ever sought to have the bill sent to that committee. There was some discussion of it, but there was no action on the part of the committee or on the part of the chairman to take this bill away from the jurisdiction of the Committee on Post Office and Civil Service. Frankly, I am very happy that the responsibility of doing that did not fall upon us.

Mr. LONG. Mr. President, I should like to explain that, as chairman of the subcommittee which considered this bill, it was the feeling of the Senator from Louisiana, as well as of the members of the subcommittee, after a careful study of all the persons involved, that the bill as reported by the committee was entirely proper, and that no salary was recommended which was too high. I should say, however, that a number of Senators did not share that feeling, as indicated by the fact that there were more than 30 Senators who felt they should join either in a substitute bill or should oppose the pay bill as reported by the committee. Most of the Senators who were opposed to the bill as reported by the committee were agreed that there should be increases in many cases, and that holders of many positions deserved substantial increases. They were willing to compromise on the amendment which is before us. That is not the feeling of the Senator from Louisiana. He prefers the bill as reported by the committee. Nevertheless, feeling that the bill would probably not pass, in view of the sentiment of many Senators who felt that some increases were too great, and in an effort to pass some legislation on the subject, the Senator from Louisiana and a majority of the members of the Committee on Post Office and Civil Service were willing to agree that if the substitute were adopted, the members of the committee would stand behind the substitute and insist upon it. Upon that basis we would be willing to accept this amendment.

That is not the feeling of some members of the committee. The Senator from Vermont [Mr. FLANDERS] was opposed to the amendment, and he reserved the right to oppose it. I assume there will be a vote on the amendment, in which event we shall know whether we are to proceed on the substitute or on the committee amendment as proposed.

The proposed salaries have been scaled down in the substitute. The original bill would cost about \$1,200,000. If the substitute were adopted, it would reduce by



about half a million dollars the gross expense of the bill, to about \$700,000. Cabinet officers would be reduced to salaries of \$22,500, which would be \$2,500 less each. The undersecretaries, in the next bracket, in section 2 (a), would be reduced to \$15,000, as virtually everyone in the bill would be under a ceiling of \$15,000. Nevertheless, there would be an increase of as much as 50 percent for a good many.

There are some whose salaries under the original bill would have been substantially increased, who would have no increases at all under the substitute. For example, the head of the Atomic Energy Commission is already receiving \$17,500. That being the case, he would receive no further increase, since \$15,000 is as high as the authors of the substitute felt they should go for persons who are not members of the President's Cabinet. Likewise the Housing and Home Administrator is already receiving \$16,500, and would not be raised beyond that. Several are now getting \$15,000, and therefore their salaries would not be increased.

As I have said, the junior Senator from Louisiana feels that there are some inequities in the substitute, and he feels that it is inadequate for the great majority of the positions. Nevertheless, he feels that it would be much better than no bill whatsoever, and he feels that in the event the substitute is not adopted there will probably be no law to raise the pay of those in the top categories of the Federal service. Therefore he feels it would be in the best interests of the Federal service for the substitute to be adopted.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield to the Senator from North Dakota.

Mr. LANGER. Is there anything in the substitute which could not be offered as an amendment to the bill the committee reported?

Mr. LONG. Naturally any of these positions could be covered by individual amendments, if any Senator saw fit to offer such an amendment.

Mr. LANGER. In other words, the substitute is drawn up by a group of Senators who are not members of the committee, who are totally ignorant of the kind of work the testimony shows the heads of some of the departments and agencies do, a group of men who do not know whether in some of the departments, as the Senator from Vermont has said, there has not been an increase since 1912. They have offered a substitute which would raise some a thousand dollars here or some a thousand dollars there, without considering each individual item, so that members of the subcommittee or others could debate the proposition, and tell them what the evidence was that was adduced before the committee. Is not that correct?

Mr. LONG. I would not completely agree with that. I feel sure that there has been substantial study of this problem by the authors of the substitute. I believe they have studied the committee hearings and the committee report. This matter was also before the Senate, as the Senator from North Dakota recalls, at the very beginning of this session, and

there was considerable discussion of it at that time. Certain general theories were followed by the authors of the substitute, one of them being that no position should have an increase of more than 50 percent; in other words, that a Cabinet officer who is now receiving \$15,000 should not receive an increase of more than 50 percent, which would make the salary \$22,500.

Mr. THYE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield to the Senator from Minnesota.

Mr. THYE. One reason for the particular bill now before the Senate, and one reason for the subcommittee's study of all the salaries of the various executives within the Federal departments, was a desire to make the salaries in some manner consistent one with another. In recent years, when a new bureau was created, the salary, which may have been fixed in accordance with similar salaries in private employment, might have been two or three thousand dollars above that of a man in another department whose responsibilities and duties were almost identical. So consideration was given to the fact that the Government has grown over a period of years, and salaries and jobs have been created with no thought or concern of consistency with the other departments.

The question came before the committee, and a subcommittee was appointed, which made a long and extensive study in an attempt to balance salaries and recommend a salary schedule that was reasonably consistent.

There is more involved than merely a question of the salary one draws today, since the question of retirement enters the picture. A man may be receiving today a salary of \$10,000, whose job is as important as that of a man receiving a salary of \$15,000, but if both men retire as of today, one will receive a much lower amount in his retirement check than the man with the higher salary. So the Committee on Post Office and Civil Service tried to make a consistent and intelligent study of the whole question, and to come before the Senate with a bill having some relation to the different positions, insofar as the importance of the jobs was concerned.

If we are to disregard all the time and study given in an attempt to level off inconsistencies in salary ranges, then Congress can go ahead and adopt some type of substitute or some type of amendment. But if we are to be consistent, we should take the bill before the Senate somewhat in the form in which the committee reported it. I will say, however, not as a member of the subcommittee, but for the subcommittee, that they devoted an enormous amount of study and spent a great deal of time on public hearings to arrive at the bill they reported.

Mr. LONG. Mr. President, I agree with much of the sentiment expressed by the Senator, and I should prefer the committee bill. Nevertheless, I point out to the Senator that there is not so much inequity in the substitute as some seem to think. For example, if one will look at pages 5 and 6 of the committee report, wherein are listed the salaries most officials would have, it will be found that

there is not a variation of more than a thousand dollars between what the substitute proposes and what the committee itself recommends. In many cases, the amount provided in the substitute is exactly the same as what the subcommittee recommended.

Mr. McFARLAND. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield to the Senator from Arizona.

Mr. McFARLAND. As a matter of fact, the authors of the substitute took the work of the committee as a basis for the amendment, did they not?

Mr. LONG. That is correct.

Mr. McFARLAND. And it carries out only two principles, one the \$15,000 limitation, and the other the 50-percent limit increase, with a few exceptions. The substitute probably could have been offered as an amendment, but it is better parliamentary practice to offer it as a substitute, although, in truth and fact, it is an amendment to the committee bill. I for one wish to express my appreciation of the hard work the committee has done on the bill.

Mr. President, no one cannot get everything he wants on a bill of this kind. There must be compromises, and if the amendment in the nature of a substitute shall be adopted on the floor of the Senate, it will not be the first time such a thing has happened in the United States Senate.

It comes down to this question, Are we going to accept this proposal as a compromise? There will be another session of Congress, but the Government officials covered by the bill should have some increase in salary now. All of us will concede that the substitute does not entirely meet our thoughts in regard to salary increases. There is no intent on the part of those who have joined in the substitute to reflect in any way upon the good work of the committee. I would say to my colleagues who have just spoken that I have heard both of them offer amendments to bills when they were not members of the committees which reported the bills. The Senate is a Committee of the Whole, so to speak, and it is the best committee we have.

Mr. LONG. Mr. President, I should like to state further that upon analyzing the changes the substitute proposes in the committee amendment, aside from the Cabinet officers' salaries, and the salaries of those immediately under the Cabinet officers in responsibility, the changes for the most part have been no more than approximately a thousand dollars one way or the other, and about one-third of the salaries recommended by the committee have not been changed at all. The Cabinet officers have been pared down by the substitute from a top salary of \$25,000 to \$22,500.

The substitute proposes to pare down the salaries of under secretaries and with respect to positions such as that of the Comptroller General of the United States and similar others to \$15,000. The Comptroller General is now receiving \$12,000.

The majority of the positions which would be reduced in section 2 (a) to \$15,000 are now paying only \$10,330. Those



positions are presently filled. Adoption of the substitute will mean a raise in pay of approximately 50 percent for most of those now holding those positions.

Coming now to the White House group: Those occupying such position would receive almost identically the same pay as was recommended by the committee, with the exception that the six who would have received \$16,000 under the committee recommendation would be reduced \$1,000 to \$15,000.

Under the substitute the next group, which includes the Chairman of the Atomic Energy Commission, for the most part would receive three or four thousand dollars less than the committee has recommended.

From there on the change is no more than a reduction of \$2,500 for the next class. The remainder of the substitute changes the salary of no one more than \$1,000.

The change proposed by the substitute is not very great. It reduces by about one half million dollars the cost of the bill. I believe I have stated that the bill, even if the substitute amendment offered by the Senator from Colorado were adopted, would be a very good bill, and would do much for the Federal service by increasing the pay of the positions involved.

Mr. McFARLAND. Mr. President, I am happy to join with the Senator from Colorado and other Senators sponsoring the substitute. As has been stated on the floor of the Senate, it is in the nature of a compromise. Almost all legislation passed by the Congress of the United States is in the nature of a compromise. I have frequently seen my views go out the window and the views of other Senators substituted for mine because other Senators did not agree with me. We are now trying to reach an objective. As has been well stated, there should be some increases in salaries in the executive department of the Government. But, as also has been well stated, in these times, when the Government of the United States is trying to stabilize prices and stabilize wages, many Members of the Senate express the view that it would be difficult for them to go home to their constituents and explain why they voted for 100 percent increases in salaries.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. PEPPER. Does the able Senator from Arizona happen to have the figures to show how much would be the total amount of the increases represented by the original bill?

Mr. McFARLAND. The Senator from Louisiana [Mr. Long] has the figures. The adoption of the substitute would mean practically a saving of one-half million dollars to the Government of the United States.

Mr. PEPPER. The able Senator from Illinois [Mr. Douglas] refers me to the fact that the increase proposed is \$1,242,426.20. Is that substantially correct?

Mr. JOHNSTON of South Carolina. That is the amount contained in the Senate committee bill. The amendment now before the Senate cuts some four or five hundred thousand dollars from that amount.

Mr. PEPPER. Will the Senator yield further?

Mr. McFARLAND. I yield.

Mr. PEPPER. What would be the total amount of the increase if every penny contemplated by the original bill was voted by the Congress? It is a little less than one and a quarter million dollars, is it not?

Mr. JOHNSTON of South Carolina. That is true.

Mr. PEPPER. And the able Senator from Arizona and his associates would save about four or five hundred thousand dollars of that amount?

Mr. McFARLAND. Yes.

Mr. President, as an example of what some people think about 100 percent increases in salary, I should like to have printed in the RECORD, as a part of my remarks, a syndicated article by Robert S. Allen, which appeared in some 52 newspapers throughout the United States. A Washington newspaper is a subscriber to the syndicate, but for some reason it did not see fit to give the people of Washington the benefit of reading Mr. Allen's article.

Mr. LANGER. Mr. President, reserving the right to object, I should like to ask whether Mr. Allen appeared as a witness before the committee and testified?

Mr. McFARLAND. I was not present at the committee hearings and do not know whether he did or did not.

Mr. LANGER. I have no objection.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROBERT S. ALLEN REPORTS SENATE DEMOCRATIC LEADERS UNEASY OVER BILL TO HIKE UPPER-LEVEL GOVERNMENT SALARIES

WASHINGTON, September 15.—Senate Democratic leaders have privately become uneasy over that little-mentioned administration bill to boost upper-bracket Government salaries 50 to 66 percent. Reason for these backstage qualms is a growing fear the measure may prove a delayed-action political bombshell in next year's congressional elections.

Virtually nothing has been heard about this bill since it was steam-rolled through the House 3 months ago, aided by a large number of absentees. Both these absentees and the blanket of silence in the Senate are not accidents.

The Congressmen ducked because they didn't want to be on record on this potentially explosive issue. The carefully-maintained Senate silence is due to the same reason.

There is political dynamite in the bill on several scores.

One is the general settling down of the national economy with its accompanying considerable body of unemployed, the decline in farm prices, and labor's difficulties in putting over a fourth wave of pay increases. Another is a bill to raise the pay of low-income civil-service workers, such as postal employees, only \$117 to \$129 a year.

This is not an administration measure. In fact, it has got as far as it has only through "grass roots" pressure. In contrast to the administration's bill carrying \$5,000 to \$10,000 increases, the civil-service measure is politically embarrassing.

TRUMAN ARGUMENT

Big dough: President Truman's argument for his bill is that it is necessary to persuade

high-calibered men to take key appointive jobs.

This was the contention used in the House and it will be repeated in the Senate. It may prove equally effective there. But the going will be a lot rougher than it was in the House, where the bill was skidded through under a tightly restricted debate rule. There will be plenty of discussion in the Senate. That's why Democratic leaders are worried.

They know two things:

One, that Republican strategy is to let the administration take full responsibility for this measure. Two, that the salary increases will look mighty big out on the hustings.

Regardless of the merits of the increases, they tower startlingly against the income of the average voter, particularly to the farmer whose prices are down, the jobless, the worker who didn't get a pay raise, and civil-service employees who will get \$125, if they get it.

Proposed boosts: What little has been said about the bill has been carefully focused on Cabinet salaries. These are \$25,000 from \$15,000 for secretaries; \$20,000 from \$10,000—\$12,000 for under secretaries; \$15,000 from \$10,000 for assistant secretaries.

Actually, they are only a small part of the measure.

#### UNKNOWN FEATURE

It covers a wide range of executive positions, including the White House staff.

These are some of the juiciest boosts of all.

At present, one presidential assistant gets \$15,000 another \$12,000, and 10 others \$10,000. Under the bill, two would get \$20,000, three \$18,000 and seven \$16,000.

In contrast to that open-handedness, the pay of the Chairman of the Atomic Energy Commission would be increased only \$500; from \$17,500 to \$18,000.

Another unknown feature of the bill is a yuletide hand-out to congressional employees. This has been eased into the bill in the Senate. It was done for the express purpose of improving its chances in the chamber.

It is administration bait to win over Senators who are leery of the bill.

Under this provision, maximum pay for legislative employees would be raised from \$10,330 to \$12,500. That is the same as the taxable salary of Members of Congress. They also get \$2,500 tax-free for expenses.

The following are some of the other pay boosts:

Chairman of the National Security Resources Board, \$20,000 from \$14,000; Executive Secretary of National Security Council, \$18,000 from \$12,000; Chairman of Munitions Board, \$18,000 from \$14,000; Librarian of Congress, \$18,000 from \$10,300; Federal Communications Commissioners, Federal Trade Commissioners, Federal Power Commissioners, National Labor Relations Board, etc., \$16,000 from \$10,000; General Counsel of Labor Board, \$16,000 from \$12,000; Chairman of Council of Economic Advisers, \$20,000 from \$15,000; Comptroller-General, \$20,000 from \$12,000; Director of the Budget, \$20,000 from \$10,000.

The full list covers two and one-half, small type, closely printed pages, and includes 239 top offices with a total of \$1,242,426.20 in pay increases.

Mr. LUCAS. Mr. President, will the Senator yield to me to make an announcement?

Mr. McFARLAND. Yes.

Mr. LUCAS. Mr. President, in the earlier part of the afternoon, I talked with a number of Senators, and we thought perhaps the Senate could finish action on the bill by not later than 5 o'clock. I understand some other amendments are to be debated. I hope we can finish the bill before we leave tonight. If necessary we will have to run a little later than usual in order to try to



finish the bill. I merely make that announcement so Senators can make their plans accordingly.

Mr. McFARLAND. I will say to the Senator from Illinois that so far as the junior Senator from Arizona is concerned he will use very little time. I also hope we can arrive at an early vote.

Mr. WHERRY. Mr. President, will the Senator from Arizona yield so I may make an inquiry of the majority leader?

Mr. McFARLAND. I yield.

Mr. WHERRY. I appreciate the fact that it is very difficult to say how long the Senate might continue discussion of the bill, but does the majority leader mean to indicate that, if it is necessary to have a night session, it is his intention to conclude action on the bill tonight?

Mr. LUCAS. The Senator from Nebraska is correct. That is what I want to do. If necessary we will have a night session. I am trying to conclude action on the bill today.

Mr. McFARLAND. Mr. President, I do not want to use too much of the time of the Senate. When I yielded I was trying to point out the necessity of stabilizing industry and stabilizing wages in the United States. I do not know how any Senator can say to labor, "You are not entitled to an increase in your wages," and at the same time vote for 100 percent increases in salaries in the executive departments.

Mr. President, I agree that some of these salaries need to be equalized. For that reason we have largely accepted the work of the committee which considered the bill. If salaries are not properly equated it is not the fault of those who have offered the substitute. I shall not criticize them if they have made mistakes. The problem is a large one and we cannot expect to correct all mistakes in one bill.

Mr. President, many persons have come to me and said that the salary of this particular official or that particular official should be raised or should be lowered. The substitute is not entirely satisfactory to the junior Senator from Arizona; but I want to see a bill enacted. I think some salary increases are desirable. I think I know what the majority of Senators think about the legislation as it was originally introduced. The question is whether the Senator from Vermont [Mr. FLANDERS] is willing to have a bill at all.

In considering the compromise, those of us who had worked upon the substitute found that there were some salaries which ought to be a little higher, and some which we thought ought to be a little lower. It was pointed out to me that we must accept the work of the Committee on Post Office and Civil Service as a basis for the bill. For that reason we adopted the amendment in the nature of a substitute, which accepts the work of the committee as a basis.

I think that committee probably should give further study to this problem. This is not the last word. This is not the last session of Congress. We are going to have a second session of this Congress, and we are going to continue to have sessions of Congress after that.

But in the meantime those of us who wanted to see increases in salaries, but who did not want to go too far in one bill, have been willing to submit this substitute.

I thank the junior Senator from Louisiana [Mr. LONG], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Minnesota [Mr. THYE] and others who have taken what I think is the broader view of this matter, and have been willing to compromise some of their views, as we have been willing to compromise ours.

I think there is no question that if this compromise had not been arrived at, the bill would have been recommitted to some committee. The Senator from North Dakota [Mr. LANGER] has spoken about his committee. I do not blame him for being jealous of the jurisdiction of his committee. He has done a great deal of hard work on that committee, and I compliment him. But I want to say to the Senator from North Dakota that there are other committees which deal just as intimately, or perhaps more intimately, with some of the agencies and departments, and are just as familiar with the work of the departments as is the Committee on Post Office and Civil Service.

Mr. President, I had not intended to make a speech on the bill. I thought it was pretty well agreed that we would go along with the substitute. When the chairman of the subcommittee who worked on this legislation, and who knew what would happen on the floor of the Senate, agreed to it, I thought we could all go along, and then perhaps in later legislation we could correct some of the inequities, if there are inequities. Various persons have come to me and said, "This person ought to have his salary raised," or "This amendment should be offered." They wanted me, as one of the sponsors of the substitute, to agree to it. I say that if we are to have legislation on this subject we must take the work of the committee as a basis and depend on the able committee to make corrections in the future if corrections are needed. I hope that we will not prevent deserving persons from receiving increases in salary.

Mr. President, it is the opinion of the junior Senator from Arizona that a 50-percent increase in salary is a good substantial increase. If the bill had not been introduced containing increases of 100 percent in certain cases, without exception Government employees would have been tickled to death to receive a 50 percent increase. Rather than get into a turmoil and not have any legislation at all, I hope the Senate will adopt the substitute; and if we have any views in regard to the salary of someone else being increased or reduced, we can consider that question in the future.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5895) to promote the foreign policy and provide

for the defense and general welfare of the United States by furnishing military assistance to foreign nations.

#### MILITARY ASSISTANCE TO FOREIGN NATIONS—CONFERENCE REPORT

Mr. CONNALLY submitted the conference report on the bill (H. R. 5895) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations.

(For conference report, see pp. 13546-13548 of the House proceedings for September 27, 1949.)

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. CORDON. Mr. President, may I inquire from the Senator from Texas if he will make a brief statement with reference to the substantial result of the conference?

Mr. CONNALLY. Mr. President, I may say to the Senator that the press has carried pretty fully the results of the conference. The House and Senate conferees met, and after full discussion for 2 days the House conferees receded on the amendment as to the amount, and adopted the amount which the Senate had accepted.

The House conferees also agreed to the Chinese amendment, which was not in the House bill. There was a provision for \$75,000,000 to be used in China and the general area of China.

Those are the main points of difference. There were some technical textual changes adopted, which I shall be glad to discuss, but they are of no great consequence. On the main points there is entire agreement. I think the House conferees voted 4 to 1 for the position of the Senate on those two questions. It was a very satisfactory conference from the standpoint of the Senate, because the bill is practically the Senate version as it passed the Senate several day ago. I do not care to discuss the conference report further unless some Senator wishes to ask a question about it.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WHERRY. I notice a statement in the press this morning with reference to the conference report. I have before me a copy of the New York Times which states that—

Other changes agreed on were as follows:

1. To stipulate that the President should cease giving military aid if and when the General Assembly of the United Nations, or the Security Council, should decide that such aid did not promote peace.

The article goes on to state that formerly the Security Council had been mentioned, but now it is extended to the United Nations.

The point I wish to ask the distinguished Senator from Texas about is this: Does that set a precedent, or is that a new position taken by the United Nations which may in some way make our own national defense system subject to the United Nations?

Mr. CONNALLY. The Senator speaks about setting a precedent.



self and those who are with her in this treaty, but not to undertake aggression or aggressive action in any form.

It is necessary, however, that in preparing for defense—should the United States or any of the signatory nations be attacked—they may be able not only to defend themselves, but able to carry on so that they may win the battles for the principles for which we stand. As I see it, that is what we should do and are here trying to do, namely, to defend America and defend the area which is now established as a part of America's defense.

I hope that when the President finds these plans to be for the common defense he will have in mind what the Senate has said, what the conference report says, and what is very vital to the defense of America, which is that it be a common defense rather than a preparing of each nation as it may desire to be prepared.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). The question is on agreeing to the conference report.

Mr. CONNALLY. Mr. President, I shall detain the Senate for but a couple of minutes. The reason I take the floor now is because of the comments of the Senator from Michigan concerning the requirement in the bill, and as mentioned in the conference report, respecting the President's action on these integrated plans. The bill sets forth the amount and so on:

One hundred million dollars shall be immediately available upon appropriation, and not to exceed \$400,000,000 shall become available when the President of the United States approves recommendations for an integrated defense of the North Atlantic area which may be made by the Council and the Defense Committee to be established under the North Atlantic Treaty. The recommendations which the President may approve shall be limited—

And so on. Mr. President, when approval by the President of the integrated plans is required, that does not mean that he has to approve every little detail which may be set forth, because that would involve months of delay. It does mean, however, that he shall approve the general outline and the over-all outline of a plan which contemplates an integrated-defense system of all the countries which are parties to the North Atlantic Treaty. The report of the House conferees to the House mentions that very clearly. I read from it as follows:

The members of the committee of conference are aware that a completely articulated and unified defense plan among the participating nations cannot be struck off in a moment. This is a development which must be evolved through many stages and which must be reckoned in years rather than weeks or months.

Since the members of the committee of conference recognize that the development of detailed defense arrangements may require considerable time, and it is to be expected that work on and changes in these plans will continue over the coming years to meet changing conditions, it is not their intention that integrated defense plans shall be developed in detail before the President may extend assistance under the bill. That would result in needless and dangerous delay.

Moreover, to expect the formulation of a plan which could be called a final or complete plan would be unwise and unrealistic. Military developments in the North Atlantic area should be dominated by dynamic rather than static concepts and by flexibility rather than rigidity.

Mr. President, I hope very much that the Senate will approve the conference report by a decisive majority. It carries out the concept of the North Atlantic Treaty. It does not ignore, but aids, the defense of the United States. If Senators will look at the map, will they not find it to be important to the United States to be associated with, or have associated with it the great dominion to the north of us, Canada, which on the one side stretches out to Alaska and faces the Orient, and on the other side reaches out to Greenland and Iceland and to the passages of the North Atlantic? Will it not be valuable to the United States to have associated with it Greenland and Iceland, and the opportunities which they afford for great bases? Will it not be to our advantage to have in the western part of Europe at least some opposition to the Red tide which threatens to engulf those countries? Will it not be to our advantage to have them on our side? Farther down, in the case of Italy and the Mediterranean and the islands which belong to Portugal in the Atlantic, which dominate great areas of transport, will it not be to the advantage of the people of the United States to have these nations on our side?

Mr. President, I call for a vote.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. LANGER. Mr. President, the distinguished junior Senator from Nebraska a few minutes ago stated that the report would be adopted unanimously.

Mr. WHERRY. No, Mr. President, I do not believe I made that statement. If I did make it, I will say I meant to say it would be adopted almost unanimously.

Mr. LANGER. Although there may not be a vote on the question, I wish to say that I am opposed to the adoption of the report.

Mr. WHERRY. Mr. President, if I did not use the word "almost", I use it now.

Mr. LANGER. I simply wish to say that the senior Senator from North Dakota will vote "no" on this question.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

#### INCREASE IN COMPENSATION OF CERTAIN EXECUTIVE OFFICERS

The Senate resumed the consideration of the bill (H. R. 1689) to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies.

Mr. DOWNEY. Mr. President—

Mr. FLANDERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FLANDERS. Is it not true that the junior Senator from Illinois [Mr. DOUGLAS] had the floor when the proceedings on the pay bill were interrupted

by the presentation of the conference report?

Mr. DOUGLAS. I am glad to yield to the Senator from California.

Mr. DOWNEY. Mr. President, I am very happy to have the distinguished Senator from Illinois have the floor. I may say to the Senator from Vermont that the Senator from California wanted to proceed.

Mr. DOUGLAS. I am very glad to yield to the Senator from California.

Mr. DOWNEY. Mr. President, I shall occupy the floor for not more than 2 or 3 minutes.

Mr. President, it seems to me that the pending substitute to the committee amendment is a rather insufficient bill, and I shall regret to see it pass in its present form. I think there are two rather manifest inequities in the proposed substitute. Salaries below \$15,000 in the executive branch are increased more or less liberally. No one in receipt of \$15,000 or upward would receive any increase whatsoever under the substitute. I do not think that appeals to our sense of justice.

Furthermore, chairmen of boards, upon whom is imposed much heavier responsibility and burden of work than upon the members, will, under the substitute, as we will probably pass it, receive the same salary, to-wit, \$15,000 a year.

I have discussed with my good friend, the senior Senator from Colorado, the proposal that some plan be worked out to increase the salaries of men presently receiving \$15,000 or upward, and to give some advantage to chairmen of the various boards as compared with the members. The Senator from Colorado has assured me that he believes it absolutely essential that such an amendment should not be adopted. He says it would impair the plans that have been made by a large number of Senators, and delay matters, and I have no disposition at this late point in the consideration of the bill to delay by attempting to secure a vote upon the amendment I had intended to propose.

The distinguished Senator from Colorado has assured me that at some future time, which may not be too long away, he personally would be committed to a further bill for the top executives.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOWNEY. As soon as I have finished my sentence I shall yield. The Senator has assured me he would make an effort to rectify the inequity which I believe to exist in the bill. I have found several other Senators who have also stated to me that while they are supporting the pending substitute they realize that it is not entirely adequate, and they will be sympathetic to a further consideration of this problem sometime in the near future.

I am now very happy to yield to the Senator from North Dakota.

Mr. LANGER. Of course, the Senator is familiar with the La Follette-Monroney Act, which provides that the Committee on Post Office and Civil Service shall have complete charge of



the status of officers and employees of the United States, including their compensation, classification, and retirement. I should like to know, therefore, of what value is the assurance of the distinguished senior Senator from Colorado, or any other Senator who is not a member of this committee, that he is going to consider the subject at some future time? Would it not be just as sensible for me to say that at some future time I am going to consider some of the great bills dealing with foreign relations?

Mr. DOWNEY. As always, the questioning of the Senator from North Dakota is very penetrating and very difficult to answer in logical form. Therefore I am compelled to take another moment or two on the floor of the Senate.

I have already discussed with the distinguished Senator from Louisiana [Mr. LONG] his opinion on this subject. I have also consulted other members of the committee who took the position that they doubted the possibility of such an amendment being adopted. Inasmuch as I was proposing an amendment to the substitute sponsored by a very distinguished bloc of Senators under the leadership of the distinguished Senator from Colorado, I went to him to discuss a proposed amendment to his substitute. If I have been guilty of any impropriety or any violation of the rights of Senators who are members of the Committee on Post Office and Civil Service, for whom I have the deepest respect, admiration, and affection, I regret it, and I apologize.

Mr. LANGER. I could not imagine the Senator being guilty of any impropriety.

I remember that when the distinguished senior Senator from California was chairman of the same committee he was very jealous of the jurisdiction of the committee. If my memory serves me correctly, upon one occasion I rose on the floor of the Senate and asked that a bill which had been referred to another committee be recalled and sent to the Civil Service Committee. I assure my good friend that all I am trying to do is to protect the integrity of the committee. Two years ago, when the Republicans were in power, it was attacked. At that time the Republicans took from the Civil Service Committee the matter of considering the proper compensation of all the officials and employees of our Government.

Mr. DOWNEY. The distinguished Senator from North Dakota has heaped coals of fire upon my head. Again I apologize to all the members of the Post Office and Civil Service Committee if I have been guilty of any impropriety in addressing my remarks to my distinguished friend from Colorado [Mr. JOHNSON].

Mr. DOUGLAS. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Colorado and others of our colleagues and in support of the bill originally reported by the committee. In the course of my remarks I shall offer a suggestion which I think would remove one of the objections advanced by the group which is sponsoring the substitute.

We are operating a \$40,000,000,000 corporation in the United States, and we

need as competent and skilled men as we can get to direct the administrative affairs of our Government. Salary is not the chief item which attracts men into the Government service. But we want to make it possible for able men who do not have independent fortunes to serve the Nation. Therefore the scale originally proposed by the committee seems to me to be thoroughly reasonable, and in itself to involve no great expense to the Federal Government.

The two objections to this measure which are advanced by the group of Senators who are advocating the substitute are, first, that the proposal of the committee would cost about one and a quarter million dollars a year; and secondly, that the proposal calls for the salaries of Under Secretaries, heads of independent agencies, and certain other officials to be greater than the salaries paid to Senators and Representatives.

So far as the first objection is concerned, namely, the added cost of one and a quarter million dollars a year, I shall offer at the appropriate time an amendment providing that any increases in salary shall be absorbed in the general expenses of the departments or agencies in which the increases are granted, so that the net effect of my amendment, if adopted, would be to remove any additional cost either of the original measure or of the substitute proposed by the Senator from Colorado. Under my amendment there would be absolutely no additional cost. Certainly we can save one and a quarter million dollars from governmental administrative costs. In fact, I believe that we can save 100 or 200 times that amount. This suggestion, I think, should therefore remove one of the objections advanced by the group of distinguished Senators who are supporting the substitute.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS. Does the Senator from Illinois propose to make the effective date of the bill after these savings have been put into effect, or prior thereto?

Mr. DOUGLAS. The amendment will carry with it the provision that the total budget for the agencies shall be diminished by the amount of the increases, so there will be no net increase for the current fiscal year.

Mr. WILLIAMS. Under the terms of the bill the effective date is upon the passage of the bill; and naturally the salary increases would automatically go into effect.

Mr. DOUGLAS. During the remainder of the year the departments and agencies would be required to effect decreases equal in amount to the added salaries paid to the officials in question.

Mr. WILLIAMS. I want to understand the amendment thoroughly. Do I correctly understand that in the event any department of the Government should not absorb the increases in its current budget, the salary increases would be canceled?

Mr. DOUGLAS. I think that would be proper, if it could be done.

Mr. KEM. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KEM. I should like to ask the Senator whether the proposed increases in salary would be only for the current year?

Mr. DOUGLAS. No. As I understand it, the proposed increases begin in the current year, but will continue in the future unless action to the contrary is taken.

Mr. KEM. If the increase is absorbed in the current budget, what assurance have we that that will continue to be the case? What assurance have we that it will not be added to the expenses of the respective departments in years to come?

Mr. DOUGLAS. I hope the Appropriations Committee will be able to scrutinize the budgets of the departments and see that they are reduced in future years by this amount.

Mr. KEM. The able Senator from Illinois is a student of government. Does his observation and experience lead him to the belief that it will be possible to do so?

Mr. DOUGLAS. I am a very inexperienced navigator in these stormy seas, but I will say to the Senator from Missouri that with careful scrutiny on the part of the Appropriations Committee, I think it could be done.

Mr. KEM. I know from the Senator's writings that he is a very experienced observer. I should like to pay tribute to him in that respect. I ask him again if his observation leads him to the belief that it will be possible for the Appropriations Committee so to handle its affairs that this increase will be absorbed in years beyond the current year.

Mr. DOUGLAS. I think so. As a matter of fact, it is my own observation that the executive staffs of most of the departments and agencies are inflated and swollen and the reductions could be made there instead of being distributed over a department as a whole.

Mr. KEM. I have no doubt that theoretically it is possible; but the question I am addressing myself to is this: I want to know whether the Senator believes that that would be a practical possibility.

Mr. DOUGLAS. It would seem so to me.

Mr. President, the one tacit objection, therefore, to the original bill, which I think remains, is based on the feeling—not always expressed, but perhaps real—that the heads of the independent agencies and the Under Secretaries should not receive more pay than Senators and Representatives in Congress. I shall not debate that point. I merely say that I do not believe this should be a controlling element in our decision. I believe we should decide how to get the best executive talent for the Government, and we should leave our own fate to the good judgment of the people of the United States.

Mr. KEM. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am very glad to yield.

Mr. KEM. I should like to ask the Senator whether he believes that the present juncture in our economic affairs



is an appropriate time to increase the salary expense of the Federal Government.

Mr. DOUGLAS. Not the total salary expense; no, sir. That is why I am going to propose the amendment, so that there will be no increase in the total salary bill. But I think it is a time when we should try to attract the best possible executive brains into the leading administrative posts.

Mr. KEM. Any Senator who believes, based upon his observation and experience, that it would not be possible to absorb the added increase, should, in the opinion of the Senator from Illinois, vote against the bill. Is that correct?

Mr. DOUGLAS. I shall let that matter be decided according to the good judgment and conscience of each Member of the Senate, including the Senator from Missouri, who I know has a very active and sensitive conscience and will be guided by it.

Mr. FLANDERS obtained the floor.

Mr. LONG. Mr. President, if the Senator will yield to me, I would suggest the absence of a quorum.

Mr. THYE. Mr. President, I, too, would suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Vermont yield for that purpose?

Mr. FLANDERS. I do.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Alken	Hill	Mundt
Anderson	Holland	Murray
Bridges	Humphrey	Myers
Butler	Ives	Neely
Byrd	Jenner	O'Connor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Reed
Chavez	Kem	Robertson
Connally	Kerr	Russell
Cordon	Kilgore	Saltonstall
Donnell	Knowland	Schoeppel
Douglas	Langer	Smith, Maine
Downey	Leahy	Sparkman
Eastland	Long	Stennis
Eaton	Lucas	Taylor
Ellender	McCarthy	Thomas, Okla.
Ferguson	McClellan	Thomas, Utah
Flanders	McFarland	Thye
Frear	McKellar	Tobey
Fulbright	McMahon	Watkins
George	Magnuson	Wherry
Gillette	Malone	Wiley
Green	Martin	Williams
Gurney	Maybank	Withers
Hayden	Miller	Young
Hendrickson	Millikin	
Hickenlooper	Morse	

The PRESIDING OFFICER. A quorum is present.

Mr. FLANDERS. Mr. President, I wish to speak in opposition to the amendment offered as a substitute to the committee bill. In doing so, I shall first address myself for a few moments to the committee bill itself.

In my judgment, for efficiency and economy in Government the bill before us, H. R. 1689, is a primary necessity. There seems to be no disagreement on the principle involved in the measure. Everyone believes that the salaries of the positions covered, some of which were set over 40 years ago, should be increased. Most of the threat to the bill stems from a few dissatisfied office holders who feel

that their prestige has been injured because the bill does not provide them an increase as large as some rival bureaucrat. It would be foolish for us to allow this fringe bickering to jeopardize a very important piece of legislation.

Aside from this, various Members of this body have had special or personal knowledge of the good work of one or another official, and feel that his position should have special attention salary wise. More than this, some of us feel that this or that official is a dud, or worse, and we therefore object to raising his salary at all.

I may say to the Members of this body that administrative efficiency and justice are thrown overboard in a salary bill drawn to reward personal virtues or punish personal shortcomings. Persons come and go. The job itself is the only just measure of salary, and the pending bill is drawn on the basis of justice.

To those Senators, therefore, who have suggested that the salaries of individual positions be changed from the levels set in the bill, I urge that they consider the tremendous amount of careful study that has gone into its drafting. The Senate Post Office and Civil Service Committee has studied the problem for over a year and a half. We have tried to arrive at as fair a salary scale as possible. At the same time the Hoover Commission made a similar study and its chairman, the Honorable Herbert Hoover, appeared before our committee and urged the passage of a measure substantially the same as the bill now before the Senate. Although many Senators may find what they consider minor flaws in the bill, I plead with them to support it because of the broad principle of good government involved.

At the present time, the United States Government must pick its leaders from among the rich or the mediocre. Among the limited number of high-caliber men, only those of wealth can afford to hold an executive position because of the present low-salary levels. Jobs go begging because there are not enough qualified men who can afford to make the financial sacrifice involved. Often when jobs are filled, it is necessary to appoint mediocre men, resulting in poor and wasteful administration. This is a fundamentally dangerous situation in a democracy. The Government should be able to attract the best men possible, regardless of personal fortunes.

Mr. KEM. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Missouri?

Mr. FLANDERS. I yield.

Mr. KEM. Does the Senator consider the present executive departments of the government to be manned by mediocre men who are carrying on the governmental affairs in a wasteful manner?

Mr. FLANDERS. From the standpoint of my own personal judgment, and not for publishing abroad in the RECORD, I believe I could point my finger at a considerable number of mediocre men.

Mr. KEM. Does the Senator feel that if the salaries were increased as the Sen-

ator proposes, those mediocre men would be immediately moved out of the government?

Mr. FLANDERS. I may say to the Senator from Missouri, that I do not feel that they would be immediately moved out of the government. It is a long-range bill. I feel that if the bill is passed there will devolve on the Senate of the United States, when it comes to confirm appointees, a rather more serious duty than has devolved upon it in the past. We have taken it for granted that the Government would have to take what it could get. If the bill is passed the Administration will not have to take what it can get, in the sense of picking out the nearest man who happens to be acquainted with someone or other, or the first name who comes to mind. If the pending bill is passed, with the salaries proposed, the Senate will have the duty to a greater extent than before, instead of passing on nominees almost automatically, of examining the qualifications of each man. We shall have provided the means whereby capable men can be obtained. The responsibility would rest more strongly than in time past on the body of men in this Chamber.

Mr. KEM. Mr. President, will the Senator yield for another question?

Mr. FLANDERS. I yield.

Mr. KEM. The Senator has come to the United States Senate after a long and successful career in business. Are there not certain other rewards incident to public service, other than the purely monetary compensation?

Mr. FLANDERS. I think the next paragraph of my statement will afford, perhaps, an adequate reply.

I am not saying that the Government can or should try to compete with salaries paid in private industry. Any man who has Government employment in high places must be willing to make a sacrifice for his country's good. But the sacrifice must not be a punishing one.

I do not know whether that answers the Senator's question.

Mr. KEM. I think it does. I am glad the Senator has in mind what seems to me to be a very important consideration in this connection.

I should like to ask the Senator another question. He has referred to an important principle of government involved in this bill. I should like to ask him if there is any more important principle of government than that of solvency in the Government itself.

Mr. FLANDERS. I agree with that thoroughly, and I am coming to that point a little later.

Mr. KEM. I am sorry to have anticipated the Senator's remarks.

Mr. FLANDERS. It is no secret that Governor Dewey felt that he would be unable to bring his "team" to Washington unless executive salaries were substantially increased. I think we must all admit, when we look at the operations of that time, that they did a swell job within what was sometimes termed the "fringe of their references."

For several months before the election the Governor discussed the problem with various Members of Congress and early



congressional action would have been certain had the results of the election been different. However, I feel very strongly that no administration should be handicapped by an inability to get good men for key positions.

President Truman has repeatedly asked Congress for action on executive salaries. His letter to the Vice President which was read yesterday outlines in the strongest terms the pressing need for prompt action.

I should like to point out that the Senate passed day before yesterday a military-pay bill on the grounds that the large increases in the top brackets were necessary in order to retain good men as leaders of the armed services. It would be inconsistent of the Senate to accept the military-pay bill and reject the executive-pay bill. Some extremely awkward situations would be created. In the military-pay bill, as passed by the Senate, major generals receive a total compensation of \$17,270 a year.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. McFARLAND. Was not the limit in the military pay bill a 50 percent increase for the top men?

Mr. FLANDERS. I do not carry that in my mind at the moment, so I am dealing only with specific figures.

Mr. McFARLAND. The report was that it was a 50 percent limitation. That is the basis of this civil bill.

Mr. FLANDERS. The Department of Defense informs me that major generals normally report to and are subordinate to assistant secretaries of the component military bodies. Yet at the present time, these Assistant Secretaries receive only \$10,948, or almost \$7,000 less than do the men who work for them. Even under the executive pay bill, the assistant secretaries would be raised to only \$15,000, still well below the salaries of their subordinates.

I interpolate that I believe we should sustain the principle of the responsibility of the military to the civil authorities, rather than the reserve.

Having passed the military pay bill, if we fail on this civil bill, we may be asked and may ask ourselves whether the time has at last arrived in this old democracy when the armed forces are elevated above the civilian population—

Mr. KEM. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield, in spite of the fact that the Senator interrupted one of the most brilliant passages in my speech. I, nevertheless, yield.

Mr. KEM. I am sorry. I shall wait and permit the Senator to proceed, and then shall ask him to yield.

Mr. FLANDERS. I shall finish the paragraph, and then I shall yield to the Senator.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. WATKINS. Does not the Senator think he should repeat the sentence in which he was interrupted?

Mr. FLANDERS. I shall go back to the beginning of the sentence.

Having passed the military pay bill if we fail on this civil bill, we may be asked and may ask ourselves whether the time has at last arrived in this old democracy when the armed forces are elevated above the civilian population, when the glamor of uniforms, insignias, and medals has blinded us to faithful service in civilian capacities which the founding fathers, in our Constitution, and our great statesmen, in their practice, put over the military force, not beneath them.

I now yield to the Senator from Missouri.

Mr. KEM. I agree with the Senator from Vermont that that is a very eloquent passage.

The Senator from Washington [Mr. CAIN] spoke with almost equal eloquence earlier in the afternoon with reference to the relative position of the legislative and executive branches of the Government.

Mr. FLANDERS. I shall come to that, also. I have everything in this speech.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. WATKINS. I noted the Senator stated that some subordinates who are under the supervision of other persons receive much higher salaries than their superiors. It is not true that a board of directors conducts the affairs of a corporation, and that the aggregate of all the salaries of the members of the board of directors would not be even a tenth of the salary of the manager or of possibly thousands of employees of the corporation, and yet they are directed by the same board of directors?

Mr. FLANDERS. I will say to the Senator from Utah, that, unfortunately, I have been a member of quite a large number of board of directors. I wish I could say that those boards direct. In general, they do not. They are a sort of volunteer fire department which goes into action when something perfectly terrible takes place. Only disaster stirs the ordinary board of directors into action. That is when they have to choose a new president and a new executive outfit because things are going so badly. In some cases, using the example of Montgomery Ward, even then they cannot accomplish anything.

I shall proceed.

As to voting against this bill on grounds of economy, that can scarcely be done without red faces on the part of those who voted for the military pay bill. Senators cannot vote more than \$300,000,000 in the form of military pay increases, refuse to vote on the ground of economy a little more than a million dollars in the form of civil pay increases, and then expect to get any credit for economy on the 300 to 1 ratio.

I speak of that with some feeling, because, while I would have voted for the military pay bill had I been present, I would have done so on exactly the same grounds on which I ask the Senate to vote on the civil pay bill. The justification for one is the justification for the other. Any Senator who votes for \$300,000,000 and then starts to "cheese pare" on \$1,200,000, brings to my mind a situ-

ation which might be described in this way: The town bully goes by, and a boy disappears in the brush until the bully is safely out of sight. Then a small boy comes by, and the boy in the brush comes out and beats him up. That is what we are doing here.

Mr. KEM. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Missouri.

Mr. KEM. Does the Senator feel that the suggestion made by the Senator from Arizona [Mr. McFARLAND], that the same principles apply to the pending bill as apply to the military pay bill, is entirely out of order?

Mr. FLANDERS. That is the 50-percent increase. That, I think, is not in order as to some of the salaries which have been so low in comparison for so many years. Furthermore, it is impossible to apply in setting up any orderly graded system of salaries based on responsibility.

Mr. KEM. Would it not be entirely logical to give them a maximum of 50-percent increase in pay now, and later make any further adjustments which seem necessary? Is there not a danger that it might disturb the equilibrium of some other branches of the Government if we applied increases so rapidly and in such a large amount?

Mr. FLANDERS. The equilibrium is now disturbed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. THYE. There was one thought which was in the mind of the Committee on Post Office and Civil Service—at least, it was in my own mind—when that committee was studying the proposed salary increases, and that was to wipe out the inequities and attempt to adjust salaries so that they would be consistent with the salaries in different divisions or in different departments in accordance with the responsibility carried by the positions. I think that if we fix a positive ceiling of 50 percent on increases we are not going to wipe out inequities, but are going to freeze them by that action.

Mr. FLANDERS. I agree with the observations of the Senator from Minnesota.

The issue involved in this bill is the recommendation of the Hoover Commission. The Hoover Commission reported that our present salary levels for top Government executives are unrealistic, and urged action to correct a situation that could, in the words of the report, result in "danger to the welfare and security of the country, as well as in immense financial losses."

It is time for the Senate to act. I urge every Member to support this move for good and efficient Government.

Mr. KEM. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield to the Senator from Missouri.

Mr. KEM. The Hoover Commission recommended certain increases and, it also recommended certain savings in the expenses of the Government.

Mr. FLANDERS. It did.



Mr. KEM. We found it practically impossible to effect the savings, yet every time any of the increases are before the Senate we have the Hoover Commission report trotted out as a reason for the increase. I should like to ask the Senator from Vermont whether he believes the Hoover Commission would recommend the increases in view of the fact that little or no attention was being paid to the savings.

Mr. FLANDERS. Mr. President, I will say, in answer to the very pertinent question of the Senator from Missouri, that as I have seen the reports of the Hoover Commission, and have studied them to the extent I have been able to study them, the carrying out of the reports and the consequent savings seem to fall into two categories. One relates to reorganizations of the various branches of the Government, which can result in savings. They do not automatically result in savings, but they can result in savings which could not easily be attained without the reorganizations.

We have had reorganization bills presented, for most of which we have voted, but some of which we have voted against; and so far as my own voting against them was concerned, it was because the plans presented seemed to have in them either things which were contrary to the Hoover report, or to be barren of the possibility of savings.

The other point through which savings have occurred is better administration. Item No. 1 means having better administration. Item No. 2 means curing some of the age-old bad practices of the Federal Government, and I should like to tell the Senate that in framing the second of the pay bills, to wit, the reclassification bill, the Civil Service Committee has given serious consideration to reorienting the efforts of the administrators of the various bureaus and groups.

For example, it eliminates the possibility of the head of a group of workers obtaining a higher salary by getting more employees under his supervision. Senators would be astonished to know, as I saw when I was with the War Production Board, that one minor official would raid the job of another so as to have more employees in his office and thus get a higher salary. That practice has gone on for years. It will not go on under the new bill.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Oregon.

Mr. CORDON. By "the new bill" does the Senator refer to the bill we are considering?

Mr. FLANDERS. No. I refer to bill No. 2, from the Committee on Post Office and Civil Service, the reclassification bill.

Mr. CORDON. I shall be happy to read it. I have known of the particular condition to which the Senator has referred, and I shall be glad to see the approach of the committee to curing it.

Mr. FLANDERS. The second bill goes on from the point where the pending bill stops. Furthermore, it provides procedures whereby not merely the heads of

various groups, but members of the groups themselves, can benefit from demonstrated economies. That is a new idea in the Federal Government, and I hope that in looking at the reclassification bill, which I assume will follow the pending bill, Senators will note that the Committee on Post Office and Civil Service has not been idle in the matter of trying to implement the Hoover report.

Mr. KEM. Will the Senator yield again?

Mr. FLANDERS. I yield to the Senator from Missouri.

Mr. KEM. I did not mean to suggest that the committee had been idle, but I meant to suggest that the results have been almost nil.

Mr. FLANDERS. I agree with the Senator from Missouri that the results have not been too satisfactory. I was merely pointing out to the Senator from Missouri that we were trying to change the conditions many of which had produced the unsatisfactory results, and were leaving the door open for better performance in the future, under better administrators.

The notion that this bill should be whittled down in the interest of economy leaves me dead cold, for the reasons I have just described. It leaves me dead cold, and, as I have said, should leave some others with red faces. Perhaps that statement is unparliamentary. If so, I withdraw it.

Economy is not subserved, in my judgment, by the amendment in the nature of a substitute.

Mr. KEM. Mr. President, will the Senator yield further?

Mr. FLANDERS. I yield, but I ask the Senator to remember that I have withdrawn my unparliamentary remark.

Mr. KEM. I merely wish to ask whether it would raise the Senator's temperature any for me to suggest to him that the Federal debt has increased from \$252,000,000,000 as it was at the beginning of the Eightieth Congress, to something over \$256,000,000,000, as it was at the time of the last statement I saw. I should like to ask the Senator whether he can view with equanimity that situation while at the same time he is addressing the Senate and asking it to increase the compensation of officials of the Government?

Mr. FLANDERS. With regard to that, let me suggest that I have come to the conclusion, in observing the work of the Senate in cutting down appropriations and reducing the costs of the Government, that the Senate tends to focus on peanuts. The Senate is focusing on peanuts at the present moment. I do not personally enjoy focusing on peanuts, and that is why I made proposals for cutting \$2,000,000,000 from the military appropriation bill. That is not peanuts. I believe thoroughly that it can be done. I believe it can be done even with all we know now about the atomic bomb. I believe it can be done without weakening our defense, and I suggest that instead of focusing on peanuts, we focus on things of that sort. As a matter of fact, the pending bill addresses itself to economy instead of against it.

Mr. KEM. Mr. President, will the Senator further yield?

Mr. FLANDERS. I yield to the Senator from Missouri.

Mr. KEM. I think the Senator will agree that I have supported most if not all the moves toward economy which have been before the Senate since I have been a member of it.

Mr. FLANDERS. I am sure of that.

Mr. KEM. I have done so because I have been concerned about the solvency of the Government of the United States, and it seems to me that the argument the Senator is making now is the same argument that has been made each time an effort has been made to resist an increase in the expenses of the Government.

The Senator from Illinois suggested a few minutes ago that if we pass the pending bill and increase the salaries affected, they can be absorbed into the budgets of the respective departments. It seems to me perfectly plain that these salary items will become untouchable in the justifications of the appropriations for the departments as long as the salaries are in effect. We are not increasing them merely for this year. We are increasing them with the idea that the increases will be permanent. I ask the Senator where he thinks moves toward restoring the solvency of the Government of the United States are to be undertaken.

Mr. FLANDERS. I may first say to the Senator from Missouri that I have joined him in voting for "peanuts." I have probably absorbed as many peanuts as any man on this floor, and I believe in attending both to the "peanuts" and to the big things. But I do not believe in the idea that our duty is done in chewing up peanuts and not paying attention to the larger items. I also wish to say that so far as this bill is concerned it directs itself immediately, directly, and forcibly to the long-range job of holding down the expense of government.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Oregon.

Mr. CORDON. I am sure that if we are dealing with "peanuts" the Senator desires to have the peanuts reasonably equitably divided.

Mr. FLANDERS. That is true.

Mr. CORDON. I should like to inquire of the Senator whether the committee gave any consideration during its year and one-half of study to the position of the Administrator of the Bonneville Administration? The reason I ask the question is that I note among other officials whose salaries are proposed to be raised in the committee's amendment is that, for instance, of the Assistant Librarian of Congress, and, I believe, the Assistant Architect of the Capitol, and so forth.

I call the Senator's attention to the fact that the Administrator of the Bonneville Power Administration has been responsible, since 1937, for the construction and operation of more than \$130,000,000 worth of electrical transmission lines, for the integration of an electrical-distribution system covering two entire States and a portion of a



third, including the pooling of all electrical energy in the area; that the Administrator is directly responsible for a business operation which is charged with the obligation of repaying to the Federal Government—I cannot give the Senator the exact number of millions of dollars, but it runs into the tens of millions of dollars of Federal money invested in the Bonneville Dam and the Grand Coulee Dam; that the Administrator has collected more than \$150,000,000 for the Federal Treasury; that he has made an enviable record of maintaining the repayment schedule and doubling the repayment schedule, with interest at 3 percent, and is continuing now to develop that vast electrical empire, the office being one of the few offices which operates a business and turns money back into the Treasury, rather than being obligated only not to exceed the amount of money appropriated to it for expenditure.

In view of those things, I ask the Senator from Vermont if any consideration was given to that most important office, or, if not, will the Senator explain why not?

Mr. FLANDERS. I believe I can explain to the Senator from Oregon the basis on which the bill was drawn. Being a bureau head, the Administrator of the Bonneville Dam would come under the second bill. In general, the pending bill relates to offices which require the President to submit the names to the Senate for confirmation, plus a very few names which are distinctly congressional appointments, such as the Architect of the Capitol and the Librarian and Assistant Librarian, who would be taken care of under no other category. But, in general, if Senators will look at the bill as relating to officials whose appointment requires confirmation by the Senate, they will have the picture of the basis on which it is drawn.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. LANGER. I may say to my distinguished friend from Oregon that the Administrator of the Bonneville project is taken care of in Senate bill 2375.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. CORDON. Do I understand the Senator from Vermont to say that all the offices named in the committee amendment are offices the appointments to which require Senatorial confirmation?

Mr. FLANDERS. All with the exceptions, I believe, which I noted; that is, those who are officers directly of the Congress itself, such as the Architect and the Librarian—and I remember now one other case which was provided for in the bill, because it comes under no other separate category, namely the case of the administrative officers of the Federal courts.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. CORDON. May I inquire then of the Senator whether the offices which

were eliminated in the Senate committee version of the bill but were included in the House bill were offices the appointees to which do not require such confirmation?

Mr. FLANDERS. That is my recollection, and I know they are contained in the second bill.

Mr. CORDON. Is that one of the bills which has been reported?

Mr. FLANDERS. It is the next bill in order.

Mr. CORDON. Would it be out of order to inquire of the Senator why we could not get all the civil salaried officers in one package?

Mr. FLANDERS. That was considered, and the committee voted otherwise; and I would have to refer to other Senators as to the reasons for separating the two bills.

Mr. CORDON. It could not be that it might create less controversy and less opportunity for comparison.

Mr. FLANDERS. No; I think that would not be a justified assumption, because the two bills are drawn up with reference to each other, so that they make a completed whole in their order.

Mr. CORDON. Will the Senator yield to the Senator from Oregon to make the observation that if they make a completed whole, the whole should be presented to the Senate for its consideration.

Mr. FLANDERS. I do not find any great reason for disagreeing with the Senator from Oregon.

Now I want to come to the question of economy; of the opposition to the bill, and the preference for the substitute amendment as a matter of economy. It seems to me to have a slightly humorous tinge, as I have tried to explain.

Mr. KEM. Mr. President, will the Senator yield?

Mr. FLANDERS. Does the Senator wish me to withdraw something I have said? If so, I shall be glad to do so.

Mr. KEM. Does the Senator also look with humor on the present financial condition of his country?

Mr. FLANDERS. I trust that the Senator will absolve me in his mind from any feeling of that sort.

Mr. KEM. I could not help but wonder how far the Senator was willing to consider the matter a joke.

Mr. FLANDERS. The humor seems to me to lie in this: Almost invariably the attention of the Senate, the oratory, and the hours of debate are focused on small appropriations. That is where the humor lies.

Mr. KEM. Mr. President, will the Senator further yield?

Mr. FLANDERS. I yield.

Mr. KEM. Was the Senator present when the ECA appropriation bill was passed?

Mr. FLANDERS. I was present at the time.

Mr. KEM. The Senator did not find any dearth of objection at that time, did he?

Mr. FLANDERS. There was no dearth of objection.

Mr. KEM. Was the Senator sufficiently advised as to the position of those who opposed that legislation?

Mr. FLANDERS. I was advised, and felt that they were carrying out the mandate for which they had been elected.

Mr. KEM. When the able Senator from Arkansas [Mr. McCLELLAN] was pressing his so-called economy amendment was the Senator present on the floor of the Senate?

Mr. FLANDERS. I was present and voted for it.

Mr. KEM. Did the Senator feel that the reasons for that amendment were not fully expounded by the Senator from Arkansas and other Senators who joined in support of it?

Mr. FLANDERS. I agreed with them, and voted for it.

Mr. KEM. There is no use in continuing this discussion further. I think the Senator sees what I have in mind. In view of that fact, I will ask the Senator whether or not it is fair to say that when large appropriations are before this body and when efforts are made to save large sums, the reasons in support of such efforts are fully presented by Members of this body.

Mr. FLANDERS. The specific criticisms which I would offer as one Senator relate to the military pay bill, which went through apparently without objection—I was not present on Monday—by an overwhelming vote; and the armed services appropriation bill itself, which I am satisfied could have had a very great reduction to the benefit of the country and the national debt, and without decreasing our national security.

Mr. KEM. Will the Senator agree with me that if that is what he had in mind, the language which he used was rather inappropriate?

Mr. FLANDERS. I will withdraw anything the Senator wishes me to withdraw. It does not seem to be inappropriate as I look back upon it in retrospect, because we do not challenge the big appropriations.

Mr. KEM. I understood the Senator to say that there was a dearth of oratory whenever big appropriation bills were before this body.

Mr. FLANDERS. If I said that, I withdraw it. Let me say that when some big bills are before the Senate there is a dearth of oratory. I hope that will clear up this little situation satisfactorily.

Mr. KEM. I am entirely satisfied.

Mr. FLANDERS. The other point to which the amendment in the nature of a substitute addresses itself is worthy of our consideration. As was stated by its principal proponent, the Senator from Colorado [Mr. JOHNSON], with whom I vote more frequently than I vote with other Members across the aisle, there is involved the question whether anyone except members of the Cabinet should receive a larger salary than do Senators and Representatives.

As I stated earlier in the afternoon, I have sent to the desk an amendment raising the salaries of Senators and Representatives. As I stated earlier, I have heard observations from a number of Senators and Representatives to the effect that the expenses of this office, to one who does not have an independent income, are very serious. They often exceed the income. I grant that there



is justice in the belief that to perform their duties satisfactorily Senators and Representatives should have larger salaries. I am not quite sure that I would want to subscribe to the idea that if we do not receive larger salaries no one else should. Let us lay that aside.

Mr. KEM. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. KEM. Would the Senator apply to the United States Senate the same line of reasoning he has applied to the executive departments of the Government? Does he believe that if the compensation were increased the ability of the Senate would be raised proportionately?

Mr. FLANDERS. I think there is a little difference between a Senator and an Under Secretary, let us say, or a Secretary. In the one case the Senator runs for the job, and in the other case the administration runs for the man. So there is a little difference.

Mr. KEM. Mr. President, will the Senator further yield?

Mr. FLANDERS. I yield.

Mr. KEM. May I ask the Senator if his anteroom is not sometimes filled with applicants running for places in the executive departments of the Government?

Mr. FLANDERS. So far as I have observed, those who are running I would not have.

Mr. KEM. Mr. President, will the Senator further yield?

Mr. FLANDERS. I yield.

Mr. KEM. Would the Senator say that those who run are not sometimes hired?

Mr. FLANDERS. That is the pool from which the administration is forced to pick much of its talent. By the way, I would not want to leave in the record the idea that no one who seeks a Government job is worthy of the job. If I left that impression I wish to erase it. Let me say that in general the best men are sought after, rather than offering themselves.

Let us get back to the matter of salaries of Senators and Representatives. There is on the desk an amendment which I submitted this afternoon, which it seems to me should eliminate the objection which is raised to the bill in its present form and permit a bill to be passed in which there is not a sudden abyss between the salary paid to a Secretary and the salary paid to an Under Secretary, which evidences in its very form a complete illogicality. If a Secretary is worth \$22,500—and on rare occasions a Secretary has been known to be the front stuffed-shirt of the organization—then the Under Secretary, who really organizes and does the work, is worth more than \$15,000. One can only excuse that wide gap for the reason named by the Senator from Colorado, when he said frankly that he did not believe—and I agree with him—that those men had to be of any higher caliber than Members of the Senate and House ought to be. So I submitted this amendment raising the salaries of Members of the Senate and House to \$20,000 in the belief that thereby the valid objection to the committee bill would be eliminated.

I have done a little calculating on that subject, and this is the result: The present congressional salary is \$12,500. The tax-free expense account is \$2,500. For a bachelor without dependents, if there be such in this august body, the taxes take out \$2,604 from the \$15,000 total, leaving a net salary after taxes of \$12,396. I have felt all along that the tax-free exemption, while perhaps a justifiable expedient under the circumstances, was not something to be welcomed, not something to be accepted for its own sake, when all the other officers of the government, with the exception of the President, have to pay the very high expenses of their office out of their salaries. So my amendment was drawn up to make the entire \$20,000 subject to income tax.

When I came to figure it out, I was surprised to find how little change was made in the take-home pay. A \$20,000 salary is subject to a tax of \$5,623, leaving a net salary, after taxes, of \$14,377, which is only \$1,981 over the present net take-home pay. That is lower than I expected the net take-home pay would be for a gross salary of \$20,000. So I shall ask permission to modify my amendment by changing the figure \$20,000 to \$22,500. As thus modified, the amendment would provide the same amount as that provided by the amendment of the Senator from Washington; and if the amendment in the nature of a substitute is adopted, the result will be to grant a net pay increase of \$3,856 for each Senator and Representative in Congress.

However, let me call attention to the fact that \$3,856 would be the total increased cost to the government. The additional cost to the government will not be the difference between \$15,000 and \$22,500, or \$7,500, because the government will get back in taxes more than half of the \$7,500. So the net additional cost to the government in the case of increasing the salary of each Senator and Representative to a gross of \$22,500 would be \$3,856.

So, Mr. President, on the assurance that I shall ask to have my amendment brought up at the conclusion of the vote on the amendment in the nature of a substitute, if it is voted down, let me say I hope the Members of the Senate will be willing to take a new look at the amendment now before us, and will decide that the original bill as thus amended will be better.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Vermont request that his amendment be modified in that way at this time?

Mr. FLANDERS. I do.

The PRESIDING OFFICER. The amendment will be modified accordingly.

Mr. O'CONOR. Mr. President, by way of preface, let me say that just 8 months ago, in conjunction with the Senator from Vermont [Mr. FLANDERS], I had the experience of handling on the floor of the Senate the so-called top-executive pay bill, which at that time included proposed salary increases for the President of the United States, the Vice President, and the other key officials of the

Government. In conjunction with the Senator from Vermont, at that time I promised that, so far as we were able to do so, we would come before the Senate at a later date with a bill which had received the careful attention of the committee, and would submit, in several steps, the various proposals designed to meet the over-all situation, and which would be coordinated, so that the complete picture would be available to the Senate at one time, and the Senate might act in the light of the recommendations in respect to salaries for the various levels of employment within the Federal Government.

It is in pursuance of that promise, and following that action by the committee headed by the able junior Senator from South Carolina [Mr. JOHNSTON], that I undertake to present these remarks to the Senate at this time on the pending measure.

Mr. President, it goes without saying that the Members of the Senate, and of the Congress generally, are anxious to see Federal employees compensated on the most generous basis consistent with the condition of the Public Treasury and the duties and responsibilities of the various positions in question.

There is general agreement, too, I am convinced, among our citizenry, as well as among Members of Congress, that any pay increases that it may be possible to grant should be given with absolute impartiality, on all levels of government, particularly where inequities may exist in comparison with the salaries of employees at other levels.

The bill now under consideration is the successor to several previous measures which have been considered in committees and on the Senate floor in the interest of the top-bracket officials of the Federal Government. It was originally conceived and developed as a result of long months of study, starting in 1947, by a Senate committee, in conjunction with officials of the Bureau of the Budget and of the Civil Service Commission, for the specific purpose of setting up reasonably adequate and compensating salaries to attract and retain in the Government service competent officials.

The proposals also were intended to be an integral part of a general reclassification and revaluation of Federal positions on all levels. They were to be part and parcel of a completely integrated Federal pay system which would afford to all employees a fair remuneration based on the service performed and the responsibilities involved.

Further, this completely revised pay program was intended not only to correct the inequities that have developed in the past through unplanned and piecemeal legislation but also to establish a pattern to which future pay legislation might conform. Thus, a Federal policy of adequate compensation for all employees based on the comparative importance and responsibility of the duties performed would be furthered and, it was hoped, perpetuated.

The matter has been discussed so often, here on the floor, in committee, and elsewhere, that it seems hardly necessary now to stress the urgent need



for a schedule of compensation which will make it possible to induce officials of the highest competence to assume the direction and supervision of the many important Government activities which affect so directly the everyday lives of all our citizens.

Occasionally men of means are available and willing to make the financial sacrifices necessary to devote their capabilities to the public service. At times, however, the competence which is sought and vitally needed in these high Federal posts must be sought in competition with higher wages offered by industry. All too often, as a result, the Government fails to secure the right man for the job. Or, as has happened all too frequently in the recent past, Government cannot retain experienced, capable public officials because industry is willing to pay wages so much more attractive that the officials sought cannot afford to refuse them.

There was thus, a certain high purpose behind, and much effort and study put into the development of the top executives' pay bill which, after various amendments, has now come before us for discussion. Previously the Senate subcommittee, consisting of the distinguished Senator from Vermont [Mr. FLANDERS], the distinguished Senator from Connecticut [Mr. BALDWIN], and the junior Senator from Maryland, on the basis of the studies made by the Government agencies, and together with facts and opinions developed at the hearings throughout 1947 and 1948, came to the conclusion that the bill for adjusting top executives' pay should have definite limits. I may add that the work done under the able Senator from South Carolina [Mr. JOHNSON] and the work of the subcommittee headed by the junior Senator from Louisiana [Mr. LONG] has followed in that course.

Members of the subcommittee were convinced that while it was desirable, and even of major importance, that other officials than the 200-odd mentioned in the bill should receive increased compensation, this particular bill was not the vehicle by which such increases should be conveyed. It was felt that all such officials could and would be taken care of in the general reclassification bill then in course of preparation. Parenthetically I may say that is the bill to which reference has been made previously, and which is to be considered, according to the Senator from Illinois, our majority leader, in short order.

Certain modifications of the original purpose and intent of S. 103 were made in committee and when the bill reached the floor. The companion bill in the House, H. R. 1689, likewise underwent certain modifications in that body and was further amended before being reported out by the Senate Post Office and Civil Service Committee. In general, however, the bill conformed to the original intent of its sponsors, which was to include the top-bracket officials, and to establish their rates of compensation, as far as was humanly possible, on the sole basis of relative importance and responsibilities.

It seems to be entirely reasonable, I am convinced, to ask the Members of the Senate to keep in mind the original and important purpose which this bill was proposed to accomplish. Certainly anyone will agree that the existing system of pay among higher Government employees, where department and agency heads are held down to rigid pay limits while in a great number of cases their subordinates receive considerably more money, is not in accord with good business principles, nor does it serve to maintain morale. Neither is it encouraging or inspiring to able, conscientious department and agency heads to know that positions of inferior responsibility and importance sometimes rate higher pay because of special legislation which went into effect either when the specific position was established or at some more recent date.

Every person who seeks the utmost efficiency in Government—and under this head will be classed the great mass of taxpayers in the country—has a right to expect that the Congress will make every effort to handle such important matters as these on the same basis as does industry, where rates of compensation invariably are based upon a comparison between the work and responsibilities involved.

Mr. KEM. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Missouri?

Mr. O'CONOR. I yield.

Mr. KEM. In private industry, is not the ability of the employer to pay taken into consideration in fixing compensation?

Mr. O'CONOR. Undoubtedly it is.

Mr. KEM. Does the Senator know of any private business or private industry whose budget was unbalanced and whose debt was probably equal to its entire assets, that would consider a salary increase under such circumstances?

Mr. O'CONOR. I agree with the Senator from Missouri that that is, of course, a major consideration. But I may point out that if the purpose which we had in mind were to be effected, namely, that it would increase the efficiency of government, I think the amount proposed is relatively small. The total amount involved in the legislation as proposed by the committee represents one three-hundredths of 1 percent of the budget. I am not disturbed as to the budget's being thrown out of balance if the bill is enacted, when I firmly believe that if it is put into effect and if its purpose is obtained, then the resultant efficiency of the Government will more than make up for the expense involved.

Mr. KEM. Mr. President, will the Senator yield for a further question?

Mr. O'CONOR. I yield.

Mr. KEM. Does not the Senator have in mind that the pending measure is one of a series of bills, and that, if the pending measure is passed, it will be taken as a precedent for the others?

Mr. O'CONOR. I recognize that, although I might append to my answer the statement that already this body has voted favorably upon the military pay

bill, which, of course, is somewhat connected with this entire schedule.

Mr. KEM. Could the Senator enlighten us as to the amount that would be involved per annum in the series of bills involving the Executive Department of the Government?

Mr. O'CONOR. I have certain figures on that topic, if the Senator will bear with me and allow me to develop them. I have that information.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. HUMPHREY. In reference to the question asked by the distinguished Senator from Missouri, whether private business, finding itself in some financial distress or difficulty, would raise salaries or establish a new salary schedule for a competent and efficient management, I wonder whether that has not been the practice of many private business establishments. Is the Senator familiar with the practice?

Mr. O'CONOR. I know of instances similar to those to which the Senator refers. I agree with his position.

Mr. HUMPHREY. Is it not true, in the reorganization of a railroad or other public utility, instead of cutting down the salary schedule of those in managerial positions, they oftentimes increase the salaries substantially, in the hope of getting a better grade of personnel to reform and reorganize the business?

Mr. O'CONOR. That is undoubtedly true. I may say also that our committee had before it instances of some of the most capable men in the Federal service being compelled to leave because they could not maintain themselves on the salaries then being paid.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

Mr. O'CONOR. I yield.

Mr. HUMPHREY. Have there not been instances since the war of very competent business people who have had a great desire to serve their country and who have performed efficient service during the period of the war, who have stated publicly they could not afford to live in Washington, they could not afford to take a job in the public service, because of the costs involved and the inadequacy of the salary?

Mr. O'CONOR. That is undoubtedly correct. I may say, in addition to the public statements which were made, a subcommittee composed of the Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. BALDWIN], and myself, had some other instances before them of persons who did not make public their personal situation, but who were compelled to withdraw from the Government.

Mr. KEM. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. KEM. As I understood, the Senator replied to the inquiry of the Senator from Minnesota that in numerous cases insolvent corporations had lifted themselves out of the hole by increasing the salaries of their employees. Can the Senator, for the enlightenment of the Senate and the public, give us some



specific instances in which that has been done?

Mr. O'CONOR. I might say to the Senator that I know of instances of corporations which were not financially strong and which were not operating too successfully, in their attempt to regain financial stability, making such moves as the Senator from Minnesota has described.

Mr. KEM. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. KEM. I understood the Senator from Minnesota to refer to railroads which tried to bring themselves out of bankruptcy.

Mr. O'CONOR. I did not so understand.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. HUMPHREY. In order that we may have the record correct, the Senator from Minnesota referred to financial organizations, private business institutions, which may have found themselves in some financial duress or difficulty, but which, at the same time, saw fit, in the name of good management, to revise their wage pattern in order to bring in new and better qualified employees. I think one of the best instances of that kind is the Milwaukee Railroad, which was at one time in receivership. It did get itself out of receivership, it did put itself on a paying basis, and it did not go around trying to pinch the penny and squeeze the eagle in trying to save a few dollars on the management, but it got a good management which yielded results.

Mr. O'CONOR. I agree with the remarks of the Senator.

Mr. KEM. Mr. President, will the Senator yield further?

Mr. O'CONOR. Mr. President, I should prefer to finish my statement. I do not want to foreclose my friend from Missouri, but if he will bear with me until I conclude my remarks—

Mr. KEM. I have only one more question.

Mr. O'CONOR. I yield.

Mr. KEM. I should like to ask whether the Senator feels that if these salaries are increased there will be an immediate change in the heads of the executive departments?

Mr. O'CONOR. I do not think that overnight that situation will result.

Mr. President, the amendment in the nature of a substitute will, I believe, interfere seriously with the attainment of the objective of adequate and comparative compensation which is so necessary to the efficient functioning of Government. However, if the pay increases to be voted are based on hurried judgment rather than upon facts developed after careful study, history undoubtedly will repeat itself. By that I simply mean that the new rates of pay established, instead of setting an orderly pattern for future pay legislation, will serve but to invite a continuing scramble among agency and department heads and subordinate officials in future Congresses for piecemeal legislation which will take care of particular individuals without regard to the complete pay picture.

Should this amendment in the nature of a substitute be enacted it would destroy for the majority of positions included in the bill the relationships which were established in the bills reported by the Senate Post Office and Civil Service Committee beginning with Senate bill 103.

In a number of instances it would establish discrepancies quite as glaring as any now existing. For instance, such major officials as the Administrator of Veterans' Affairs, the Comptroller General, the chairman of the Munitions Board, and the Director of the Budget would be paid less than some of the administrative assistants to the President.

Congress has recognized that \$15,000 is not the proper ceiling for executive salaries where the responsibilities and importance of duties are outstanding. With respect to the Administrator and Deputy Administrator of Economic Cooperation, for instance, compensation was set, under legislation passed April 3, 1948, at \$20,000 and \$17,500 respectively; also, the chairman of the Atomic Energy Commission, whose rate of pay was fixed at \$17,500 in 1946, and the Administrator of the Housing and Home Finance Agency, whose compensation was fixed at \$16,500 by amendment to the Housing Act on August 10, 1948.

Much is made of the fact that some of the salary increases in the bill reported by the Senate committee would be large in comparison to the current compensation for the posts in question. In all justice, however, it must be borne in mind that the recent salary revision acts of the last 3 years have totally ignored the executive group in which many of the salaries have not been increased 1 cent in 25 or more years.

Therefore, the increases proposed, as compared to the ridiculously low salaries now in effect, do loom large. The only criticism that can be leveled, however, is at the lack of attention to these salaries in recent years. For certainly the salaries proposed, in comparison to positions of sometimes relatively minor importance in industry are still, if not adequate, at least anything but generous for the responsibilities involved.

Under the measure as reported out by the Senate Committee on Post Office and Civil Service the total increases would be just a fraction under one-fourth million. It would be a slight investment, indeed, for the continuing dividends in increased competence among Government officials which would surely result.

Under the committee reported bill positions of bureau chief rank would be paid at rates established under the Classification Act of 1923, as it was proposed to be amended by Senate bill 2379. The principles of concentrating on the heads and assistant heads of departments and agencies have been indorsed by the Hoover Commission, the representatives of the executive branch, and employee organizations generally, and sponsored by the President of the United States.

It would appear that the Congress would be taking a much wiser step if it were to accept the proposals which would preserve the relationships between the positions covered in the bill on the

basis that they were established by the Post Office and Civil Service Committee after 2 years of intensive study of the problem, and consultation with persons in the executive branch, the Hoover Commission, and others who were in a position to advise them on the matter.

It should be noted also that Congress, in passing House bill 5007, the military pay bill, has increased the salaries of the top level military staff to such an extent that the relationships in the military agencies particularly will be considerably distorted unless the bill is adjusted to follow the committee's recommendations concerning the positions of the under and assistant secretaries of those departments.

It will be most unfortunate, I believe, after all the thought and effort put into the development of the proposals embodied in the bill as reported by the committee, to accept a substitute which disregards the main purpose and intent of the movement to give adequate pay to high Federal officials on a coordinated and justly comparative basis.

Mr. President, I ask unanimous consent that two editorials which are in line with this contention be printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of September 27, 1949]

#### FOR FEDERAL PAY EQUITY

Although President Truman's appeal to the Senate for pay-bill action was concerned particularly with the plight of underpaid key executives, it contained an effective argument for passage of other bills designed to bring the over-all Federal pay structure into balance. The increase in military pay voted by the Senate yesterday will shore up a badly sagging part of the structure. Executives' pay is another weak spot that needs strengthening, not only as an act of simple justice to a deserving group of employees, but in the interest of Government efficiency.

The whole Federal pay framework is a patchwork product, unbalanced by piecemeal repairs over the years. As Mr. Truman pointed out, Congress has increased its own compensation by more than 100 percent since 1924. Raises recently were voted the President, the Vice President, and the Speaker of the House. Civil-service employees generally have had several cost-of-living increases and they would receive additional small benefits from the pending reclassification bill. The military services have been granted an increase after many years of shameful neglect.

But many of the Government's top-level administrators and specialists have had no pay boost whatever during long years of invaluable service. There has been criticism of the size of the increases which would be given some of these key personnel. Mr. Truman answered this criticism succinctly when he declared in his message to Vice President Barkley that the proposed scale seems high in relation to present salaries only because the latter are ridiculously low. It reflects no credit on the Government to find that the aggregate income of 15 executives of one private corporation is more than that of all the approximately 250 Federal executives who would be included in the pay adjustment. This contrast explains why so many of these important public servants have accepted jobs in industry—a loss which the Government can ill afford.

The Senate can slow down, if not halt, the exodus of valuable key men from the Fed-



eral departments by lifting their pay rates to the reasonable level provided in the House-approved legislation. It can, moreover give the entire civil-service salary structure a much-needed modernization by passing the reclassification bill. And a more complete job can be done in the pay-balancing field by enactment at this session of the judiciary pay bill, which still languishes in committee. For Federal judges are still grossly underpaid in relation to their heavy responsibilities.

[From the Washington Post of September 25, 1949]

#### BUTCHERED PAY

A wholly deplorable whittling mania has struck the executive pay bill in the Senate. Under the pretense of economy, a powerful faction has laid down a rule that no pay raise shall exceed 50 percent and that, aside from the members of the Cabinet and a few White House aides, executive appointees shall not receive more than \$15,000 a year. The effect is to upset the neat balance that had been attained in the House bill (with some few exceptions) as a result of the recommendations of the President and the Hoover Commission.

The Senate compromise would trim members of the Cabinet from the \$25,000 allowed in the House bill to \$22,500. Under secretaries and various other high administrative officials would be bounced down from the \$20,000 level provided in the House bill to \$15,000. This seems particularly harsh because it would reduce men carrying extensive responsibility to the level of the Commissioner of Public Buildings and members of the Indian Claims Commission. In other words, the intermediate bracket of high salaries would be wiped out.

This arbitrary slash can be explained only by pettiness on the part of Members of the Senate. Apparently some Senators are not willing to permit under secretaries and the heads of administrative agencies to earn more than they do. Such petty jealousies have often interfered with equitable salary adjustments in the past, but we had hoped that, with big government an actuality demanding the best brains that can be hired, legislators would rise above such peanut considerations.

Of course, it does make a bad impression to raise any official's salary more than 50 percent at any one time. But sharp increases were recommended only because top-flight executives' salaries have been stationary for a quarter of a century. Congress was merely asked to make up for its past neglect. It cannot dodge that responsibility by pleading economy, for it is estimated that, considering the increased taxes that these officials would pay, the House bill would cost only about \$800,000 a year. For that sum the Government could reasonably expect to buy many million dollars worth of increased efficiency. Before voting on this shabby compromise, we hope the Senate will sharpen its recollection of the age we are living in. If this compromise were to become law, the exodus from the Government service would be sizable, and there would be widespread demoralization. By any test of stewardship this vital subject deserves better treatment.

Mr. KEM. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. SPARKMAN in the Chair). Does the Senator from Maryland yield to the Senator from Missouri?

Mr. O'CONOR. I yield.

Mr. KEM. I should like to ask the Senator what the cost of the series of bills involving increases in executive departments will be?

Mr. O'CONOR. It is my understanding that this bill will entail an outlay of

approximately \$1,200,000; that the reclassification bill, which is to follow, represents an over-all outlay of approximately \$110,000,000; and that the postal bill—

Mr. KEM. The whole amount will be approximately \$400,000,000 a year, will it not?

Mr. O'CONOR. No. It will be approximately \$110,000,000 all told.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. WILLIAMS. Does the Senator include the postal bill on the Senate calendar?

Mr. O'CONOR. Yes.

Mr. WILLIAMS. As it passed the House it would amount to approximately \$120,000,000.

Mr. O'CONOR. That is not my understanding. It is \$63,000,000 at this time.

Mr. LUCAS. Mr. President, I should like to make an effort to get a unanimous-consent agreement to vote upon this bill and all amendments thereto. A number of Senators have requested that I try to see if we can vote tomorrow afternoon. If that could be arranged, we could possibly get away a little more quickly than I thought we might. If not, of course, we shall have to stay and try to thrash it out this evening.

I should like to propound this unanimous-consent request:

*Ordered*, That on the calendar day of the 29th of September 1949, at the hour of 2 o'clock p. m., the Senate proceed to vote, without further debate, upon the present amendment or substitute, which is the Johnson amendment, and at the hour of 4 o'clock to vote on any amendments that may then be pending or that may thereafter be proposed to House bill 1689 to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and upon the final passage of the said bill: *Provided*, That the term "bill" shall also include any amendment in the nature of a substitute: *Provided further*, That no amendment that is not germane to the subject matter of the said bill shall be received.

*Ordered further*, That the time between 12 o'clock and 4 o'clock on said day shall be equally divided and controlled, respectively, by the Senator from Louisiana [Mr. LONG] and the Senator from Colorado [Mr. JOHNSON].

Mr. WHERRY. Mr. President, reserving the right to object—

Mr. JOHNSTON of South Carolina. Mr. President, what is the hour?

Mr. LUCAS. To vote at 2 o'clock on the pending substitute, and at 4 o'clock on all amendments which are now offered or which may be offered before that time.

Mr. WHERRY. Mr. President, a moment ago I discussed with the distinguished majority leader the parliamentary situation with reference to this particular bill. Already, by unanimous consent, as the Chair well knows, we have agreed to take up the Johnson substitute, which has to be voted on before an amendment can be offered to that substitute. So that there are several amendments which cannot be brought up and voted upon until the

Johnson substitute is out of the way. For that reason I ask the distinguished majority leader if he would object to this sort of a unanimous-consent agreement, namely—and I am quite satisfied the hour for the vote on the Johnson amendment at 3 o'clock would be satisfactory—

Mr. McMAHON. Two o'clock.

Mr. WHERRY. I am trying to suggest an hour which will not be objectionable to those who want it fixed at 3 o'clock. I am merely asking that the majority leader consider this suggestion, and see if we can reach an agreement, making the hour 3 o'clock for a vote on the Johnson amendment. Then I would not be adverse to making a unanimous-consent agreement for a vote at, say, not later than 5 o'clock, that is to say, to take the other amendments up as fast as they could be brought up. I am quite satisfied that if the majority leader could see his way clear to make such a request, the amendments could all be voted on before 5 o'clock. The Johnson amendment is one amendment which I am sure can be gotten out of the way, then we can have an idea as to what we will do with the other amendments.

Mr. LUCAS. I expected to have the Senate meet at 11 o'clock in the morning, and that would give us the same amount of time the Senator from Nebraska has in view. I have not made the unanimous-consent request; I am merely discussing what I shall propose if there is no objection.

Mr. KEM. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. KEM. I should like to be heard for not over 10 minutes tomorrow on a matter which is not germane to the measure before the Senate. I should like to have it understood that I would be permitted to make the statement, and that the time would not be charged to either side.

Mr. FERGUSON. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. Am I to understand that the unanimous-consent agreement would prevent any amendments to the bill or the substitute which were not germane?

Mr. LUCAS. That is correct.

Mr. FERGUSON. Then, I could not consent to the unanimous-consent request.

Mr. LUCAS. That is the usual provision we can expect to be requested by those who are interested in protection, so far as civil-rights legislation is concerned.

Mr. FERGUSON. The amendment to the substitute the Senator from Michigan has in mind has already been filed.

Mr. McFARLAND. Mr. President, could not the request be amended to make exceptions of the amendments which have already been offered and are on the table?

Mr. WHERRY. Mr. President, some amendments might be taken up which have not yet been offered.

Mr. McFARLAND. I am talking about germaneness.



Mr. FERGUSON. Those which have already been filed to either the substitute or the bill itself.

Mr. AIKEN. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Vermont.

Mr. AIKEN. Does the majority leader intend to bring up the farm bill immediately after the vote on the pending bill?

Mr. LUCAS. No; after we get all the pay bills out of the way.

Mr. AIKEN. Has the Senator any idea when that will be?

Mr. LUCAS. The only reason I am trying to get a unanimous-consent agreement is in order that we might take up the other pay bills. I should like to stay here tonight and get the pending bill out of the way, but there is a ball game on, and there are some who have social engagements.

Mr. AIKEN. I shall have to object to the unanimous-consent request anyway. I have more important business than a ball game, and I know that if anyone wants to go to a ball game things are arranged for his convenience, but if Senators have other things, matters are not arranged.

Mr. BRIDGES. Mr. President, I had understood earlier that the majority leader stated that we were going to remain in session until the consideration of the pending bill was finished. I know a great many Senators have adjusted their plans and are ready to stay. I should like to have the Senate stay and finish the consideration of the bill, and if the Senator does not want to finish it tonight, for some reason, we could take up some of the other pay bills.

Mr. LUCAS. I withdraw the unanimous-consent request.

Mr. McCLELLAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Mundt
Anderson	Holland	Murray
Bridges	Humphrey	Myers
Butler	Ives	Neely
Byrd	Jenner	O'Connor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Reed
Chavez	Kem	Robertson
Connally	Kerr	Russell
Cordon	Kilgore	Saltonstall
Donnell	Knowland	Schoeppel
Douglas	Langer	Smith, Maine
Downey	Leahy	Sparkman
Eastland	Long	Stennis
Eaton	Lucas	Taylor
Ellender	McCarthy	Thomas, Okla.
Ferguson	McClellan	Thomas, Utah
Flanders	McFarland	Thye
Frear	McKellar	Tobey
Fulbright	McMahon	Watkins
George	Magnuson	Wherry
Gillette	Malone	Wiley
Green	Maybank	Williams
Gurney	Miller	Withers
Hayden	Millikin	Young
Hickenlooper	Morse	

The PRESIDING OFFICER. A quorum is present.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its assistant enrolling clerk, announced that the House had agreed to the following con-

current resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 126. Concurrent resolution authorizing the Committee on Ways and Means to have printed additional copies of parts 1 and 2 of the Social Security Act amendments of 1949 hearings; and

H. Con. Res. 132. Concurrent resolution authorizing the printing of 10,000 additional copies of House Report No. 1300 on H. R. 6000, a bill to extend and improve the Federal old-age and survivors insurance system, to amend the public-assistance and child-welfare provisions of the Social Security Act, and for other purposes.

#### INCREASE IN COMPENSATION OF CERTAIN EXECUTIVE OFFICERS

The Senate resumed the consideration of the bill (H. R. 1689) to increase the rates of compensation of the heads and assistant heads of executive departments and independent agencies.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. Am I correct in assuming that the substitute to the committee bill is the pending question before the Senate?

The PRESIDING OFFICER. The so-called Johnson substitute to the committee bill is the pending question.

Mr. PEPPER. Mr. President, on the 26th of this month the President of the United States addressed a letter upon this subject to the Vice President, in the course of which the President said:

The legislation now pending in the Senate to correct this anomalous situation—

That is, the situation whereby the responsible members of the executive branch of the Government, who would be covered by this bill, were receiving grossly inadequate compensation—has had long and careful study.

I am continuing to quote from the President's letter to the Vice President.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. KILGORE. In the case of overtime, pay, and \$330, and various other things in the way of bonus pay, is the pay situation in this bill considered the total pay or is it considered as the base pay as in the Johnson substitute?

Mr. PEPPER. Mr. President, I am not able to answer the question. I think it would be better answered by the able Senator from Arizona [Mr. McFARLAND].

Mr. McFARLAND. The limits set in the substitute bill are total pay.

Mr. KILGORE. That was the question I was asking; if it is the total pay or whether it is a base pay, which is grossly disproportionate to the actual total take-home pay.

Mr. McFARLAND. No, it is the gross pay; the totals in the bill are gross pay.

Mr. PEPPER. I assume that in each case in the committee bill the amount listed is the gross compensation to be received by the employee named, and the same is true in the substitute.

Mr. KILGORE. I may explain to the Senator from Florida that I want to make that point of record. The substitute, as I said, does not contain any-

thing specifically in the way of limitation. I want to make sure as to whether or not there is any limitation.

Mr. McFARLAND. I believe that the so-called basic pay applies largely to the legislative employees. Those covered in this bill are executive employees.

Mr. JOHNSTON of South Carolina. When we speak of base pay, that is something which has to do only with legislative employees. So far as pay is concerned, when we speak of it in an appropriation bill for the various employees of the Government, the term "base pay" applies only to legislative employees.

Mr. PEPPER. Mr. President, I continue to quote from the letter of the President to the Vice President:

The legislation now pending in the Senate to correct this anomalous situation has had long and careful study. It has been considered at length and reported favorably by the Senate Committee on Post Office and Civil Service in both the Eightieth Congress and this Congress.

Both the Eightieth Congress and the Eighty-first Congress have considered this subject. That means that a committee with a Republican majority reported favorably, and a committee with a Democratic majority reported favorably upon the same subject, that is, a suitable increase in the compensation of the chief executive officials of the Government.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. I should like to ask the Senator a question, based on the question asked a few minutes ago about the base pay. I should like to be sure that I correctly understand the situation. I should like to have the attention of the Senator from South Carolina [Mr. JOHNSTON].

I notice that throughout the bill is the expression "rate of basic compensation." It occurs in connection with the Atomic Energy Commission, the Chairman of the Munitions Board, the Public Printer, the Librarian of Congress, members of the Board of Governors of the Federal Reserve System, and quite a long list. It occurs likewise in the next section. I wish to understand clearly what it was that was elicited a few minutes ago as to the meaning of the bill on the subject of applicability of the term "rate of basic compensation."

Mr. PEPPER. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. From what bill is the Senator reading?

Mr. DONNELL. From House bill 1689.

Mr. JOHNSTON of South Carolina. Is that the amendment to the bill?

Mr. DONNELL. It is the committee amendment.

Mr. JOHNSTON of South Carolina. By that is meant the gross amount which the officer receives in salary.

Mr. DONNELL. What is the meaning of the expression "rate of basic compensation" if it refers to the gross pay?

Mr. JOHNSTON of South Carolina. It was the intention of the committee when it was put in the bill that that should refer to the gross pay of the employee, whoever he happened to be.



Mr. DONNELL. Mr. President, will the Senator from Florida yield so that I may ask a further question?

Mr. PEPPER. I yield.

Mr. DONNELL. May I inquire if the legislative counsel of the Senate has been consulted as to whether the language so used carries into effect the intent of the committee in the committee amendment to which the Senator from South Carolina refers?

Mr. JOHNSTON of South Carolina. The language refers to the basic pay which they receive. Of course, there are deductions from that pay. There are retirement-fund deductions and there are also income-tax deductions. But to start with, that is the basic pay which they will receive.

Mr. PEPPER. In other words, if I may interpolate, they will get no more than the amount specified in the bill.

Mr. JOHNSTON of South Carolina. That is true.

Mr. DONNELL. I appreciate the statement of the Senator.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KILGORE. I am very grateful to the Senator from Missouri for raising that point, because those words had me worried. The question of basic pay as it is used in the statute books has not been completely understood. Frequently when we are considering basic pay and additions thereto, we find a situation in which the gross pay is much greater than the basic pay. I wanted to get in the RECORD a statement as to whether the pay set forth in the committee amendment to the bill constituted the gross pay—which I think is a much better expression—of the various officials enumerated in the amendment, as compared to base pay plus various accretions thereto.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McFARLAND. As one of the co-sponsors of the substitute, I can state that the same language was used in the substitute as was used in the bill. It was our interpretation and our intent that the provision referred to the gross pay. Of course, the deductions to which the Senator from South Carolina has referred must come out of that pay.

Mr. DONNELL. Mr. President, may I inquire further if the legislative counsel of the Senate has been consulted as to whether the use of the expression "the rate of basic compensation" carries into effect the intent of the committee as expressed by the Senator from Arizona?

Mr. McFARLAND. So far as the substitute is concerned, the legislative counsel drafted the substitute, and those were our instructions as to what we wanted. I presume that would be his opinion if he were here to give it.

Mr. DONNELL. I thank the Senator.

Mr. PEPPER. Mr. President, I was quoting from the letter of the President to the Vice President. The President said:

The legislation now pending in the Senate to correct this anomalous situation—

That is, the situation whereby many of the responsible executive heads of the Government have long been underpaid—

has had long and careful study. It has been considered at length and reported favorably by the Senate Committee on Post Office and Civil Service in both the Eightieth Congress and this Congress.

The clerk is checking it, but the information I have is that the amounts recommended in the Eightieth Congress, when the Republican Party was in control and had the majority, were larger than the amounts recommended in the Eighty-first Congress. So the Committee on Post Office and Civil Service is not going beyond—indeed, it is not reaching up to—the recommendations carefully made on this subject by its predecessor, the comparable committee in the Eightieth Congress, when the majority happened to be on the other side of the aisle, indicating that the opinion is shared by both major parties that the responsible executive officers of the Government should have increased compensation beyond that which they are now receiving.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. In view of what the Senator has said, I think the RECORD should show, if it does not show up to this time, that the bill was introduced by the able Senator from Ohio [Mr. TAFT] in June 1948. Under the terms of that bill there was not a single official, with the possible exception of two, who would not have received more money than the Johnson substitute would afford them. The Taft bill was comparable with the bill which was originally reported by the Committee on Post Office and Civil Service. I think perhaps the Taft bill provisions were slightly lower, but that bill passed the Senate in the Eightieth Congress.

Mr. PEPPER. So not only did the Committee on Post Office and Civil Service agree to substantially the committee bill, but the Senate itself, in the Eightieth Congress, passed substantially the committee bill which is now before the Senate for consideration.

Mr. LUCAS. The Senator is correct.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McFARLAND. Does the Senator mean to say that that bill passed the Senate?

Mr. LUCAS. As I understand, the record will show that the Taft bill passed the Senate last year.

Mr. McFARLAND. One of the bills did not pass the Senate.

Mr. LUCAS. I am talking about the Taft bill.

Mr. McFARLAND. Is the Senator referring to the Taft-Hartley bill?

Mr. LUCAS. No; I am not talking about the Taft-Hartley bill. The Senator knows more about that than I do. I am talking about the bill which was introduced by the able Senator from Ohio in June 1948. There was no objection at that time on the part of those on the Republican side of the aisle who are now fighting this bill tooth and nail. The

reason was that the Republicans expected a victory in the November election. They wanted the same kind of men in the Government to aid the Republican Chief Executive and others who would serve under him as the present Chief Executive has requested this Congress to provide. There can be no question about that. I have all the figures before me, in a chart which has been prepared by the Policy Committee staff, which demonstrates beyond question of doubt that the bill introduced by the Senator from Ohio was pretty much in line with the bill reported by the Committee on Post Office and Civil Service, and provided much more, I will say to my friend from Florida, than the pending Johnson amendment provides. If the Senator desires to take a look at the figures, he is welcome to do so.

Mr. PEPPER. I thank the able majority leader for giving the Senate this information. I was about to inquire whether these data had been placed in the RECORD, or whether the majority leader might think it appropriate to place them in the RECORD.

Mr. LUCAS. I expect to do so at the proper time.

Mr. PEPPER. I am very glad to have the information.

Continuing to read from the letter of the President to the Vice President:

The legislation now pending in the Senate to correct this anomalous situation has had long and careful study. It has been considered at length and reported favorably by the Senate Committee on Post Office and Civil Service in both the Eightieth Congress and this Congress.

In his letter the President of the United States said:

It is in line—

In other words, this bill is in line; that is what the President was supporting—with the recommendations of the Hoover Commission.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. AIKEN. As a member of the Hoover Commission, I should like to say that, to the best of my recollection, the Hoover Commission never fixed the levels to which salaries should be raised. It simply specified that they should be at such level as would attract the right kind of men.

Mr. PEPPER. I have no doubt that is what the President meant to say in his letter, when he said that—

It—

Meaning the bill—

is in line with the recommendations of the Hoover Commission.

He does not say the Hoover Commission recommended a certain schedule of salaries. But I ask the Senator if it is a fact that the Hoover Commission recommended that the salaries paid to officials of the executive branch of the Government should be such as would attract competent persons.

Mr. AIKEN. That is entirely correct.

But let me ask the Senator from Florida whether he expects that if the pro-



posed schedule of salaries is put into effect, new persons would come to Washington to take the places of the present heads of the executive departments; or does the Senator simply expect that the present officials would receive increases in pay?

Mr. PEPPER. I should say that both would occur. I think that in the case of replacements, larger salaries would probably attract higher types of executives and more competent persons; and those who now are serving in such positions, and who would continue to serve as such, probably would be stimulated to a better sense of duty if they received more adequate compensation.

Mr. AIKEN. Does not the Senator from Florida believe that at the present time we have the very highest type of men at the head of the various executive agencies?

Mr. PEPPER. Yes; I do. But I expect to cite authority of a competent sort to the effect that we are losing many of these persons, and that we should provide salaries which will attract desirable persons when replacements occur.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FLANDERS. With regard to the Hoover Commission and this bill, let me say that, if my memory serves me correctly, we had no recommendations from the Hoover Commission for specific salaries. However, on the basis of general recommendations of Mr. Hoover and his associates, the salaries in this bill were raised somewhat higher than the salaries provided by the bill as it was originally prepared for the Eightieth Congress. So the bill does represent a conference with the Hoover Commission.

Mr. PEPPER. Mr. President, I am very glad to know that the Hoover Commission not only generally approved the objective of the bill, but, more specifically, the bill itself.

I continue to read from the President's letter:

It has already passed the House of Representatives.

Mr. President, I hear it said by some persons who favor the substitute that this is not a bill for economy. Who is it that levies taxes primarily but the House of Representatives? Who is it who speaks as the body closest to the people but the House of Representatives? Who is it who is accountable to the people every 2 years but the House of Representatives? Yet the House of Representatives has passed this bill—not the substitute, but the bill. I shall point out that there is hardly any difference between the bill which was passed by the House of Representatives and the bill which the Committee on Post Office and Civil Service has recommended to the Senate.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the able Senator from Louisiana.

Mr. LONG. Discussion has developed as to what the Hoover Commission had recommended. If the Senator has seen the study made by the Eightieth Con-

gress in regard to the compensation of top Government officials, particularly the hearings held on December 13 and 14, he will note the statement of John Stevenson, who was chairman of the task force on Federal personnel management of the Commission on the Organization of the Executive Branch of the Government, and the Senator will note that Mr. Stevenson testified before the Committee on Post Office and Civil Service, as shown at page 61 of the hearings, to the effect that they would recommend or suggest a salary of \$150,000 for the President, \$50,000 for the Vice President, \$35,000 for Justices of the Supreme Court, \$25,000 for the Speaker of the House of Representatives, \$20,000 for Senators and Representatives, \$25,000 for the heads of executive departments, \$20,000 for Under Secretaries, \$17,500 for Assistant Secretaries, and \$17,250 for the heads of independent agencies and for members of boards and commissions.

So there is the statement of the chairman of the task force of the Hoover Commission, recommending, as I understand, salaries almost identically in line with those recommended by the Senate Committee on Post Office and Civil Service.

Mr. PEPPER. It so appears by a comparison of the figures just given by the Senator from Louisiana with the figures contained in the bill itself. I thank the able Senator very much.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. AIKEN. I should like to point out that we should not confuse reports of the task forces of the Hoover Commission with reports of the Commission itself, because time after time the Commission did not adopt the recommendations of the task forces.

In this case, I believe the Commission did not adopt the figures recommended by the task force, but the Commission merely recommended that the salaries be such as to attract the right type of men.

I bring up that point now because I am sure the Senator from Louisiana would not agree with some of the other task-force reports which also were turned down by the Commission or which resulted in divided recommendations.

Mr. LONG. The Senator from Louisiana disagrees with some of the final recommendations, I may say, but the bill embodies what we thought the Hoover Commission would recommend.

Mr. AIKEN. I wish to point out that in this case the task-force reports should not be regarded as reports of the Commission itself.

Mr. PEPPER. Mr. President, cannot we agree that the task force of the Hoover Commission dealing specifically with this subject did recommend substantially a scale of compensation identical with that recommended by the Senate Committee on Post Office and Civil Service, insofar as the classes involved are in question; and, secondly, cannot we agree that the Hoover Commission as a whole recommended the principle of an increase in compensation which would attract and keep in the

Government service competent personnel?

Mr. AIKEN. Mr. President, I hope the Senator from Florida will not place too much emphasis on the recommendations of the task force, however, because sooner or later we shall have before us, I am sure, recommendations of task forces of the Hoover Commission with which the Senator from Florida will find himself very much in disagreement. So I hope the Senator from Florida will not try to get the Senate to accept the recommendations of the task forces in general, or even in any one particular instance.

Mr. PEPPER. I thank the Senator.

Mr. President, the Senator from Florida has supported a good many, in fact, I think all, of the recommendations of the Hoover Commission which have come to the Senate, and no doubt will support a great many more of them. But of course he does not blindly commit himself to them without knowing what the recommendations are.

But I was calling attention to the fact that the President of the United States has emphasized, in addressing the Vice President, that certainly the Hoover Commission has recommended, in principle, at least, the bill which is before the Senate and which was reported to the Senate by the Committee on Post Office and Civil Service; and the Senator from Louisiana has added information concerning the conclusions of the task force. This information is presented to us for whatever it may be worth; I merely call the task force as an expert witness, and of course the jury does not have to agree with its views or testimony; but I call as an expert witness the task force, and I am glad to have the Senator from Louisiana the medium through which that expert witness is presented. For whatever it is worth, I think the Senate should know that the task force specifically dealing with this subject has recommended salary scales almost identical with those which are recommended by the committee.

Mr. AIKEN. Yes; the Senator from Florida is correct in saying that the task force has recommended substantially the salary increases recommended for Government executives by the committee; but I hope that not too much emphasis will be placed upon task force reports, because it will be found that one of them recommends that all power developed at generating plants constructed by the Government should be sold at the bus bar—which would mean a monopoly for the private interests, at the expense of the consumers and the taxpayers.

Mr. PEPPER. I am sure the Senator from Vermont and I would probably be together in not agreeing with the Hoover Commission on that subject, but I thought it was important that some of those who put special emphasis upon the recommendations of the Hoover Commission should know what the recommendations of the Commission are.

Mr. AIKEN. That is right—recommendations of the Commission. But please let us not confuse the recommen-



dations of the task force with the recommendations of the Commission.

Mr. PEPPER. I thank the Senator for suggesting the care we should exercise in distinguishing between the two. I continue reading from the President's letter to the Vice President:

The salary rates provided in the bill passed by the House and reported by the Senate committee are, for the most part lower than those I recommended.

I was about to call attention to the fact that the Senate Committee on Post Office and Civil Service recommended almost identically the bill passed by the people's representatives, the House of Representatives. These are the only differences, Mr. President: On page 4 of the committee report, a comparison of the House bill and the Senate committee bill appears. In the first category of section 1, they are all identical, the Senate and House bills allowing \$25,000 a year for the Cabinet and certain additional secretaries. In fact, the only differences listed on that page and the succeeding pages 5 and 6, are, as I have noted them, in respect to the Housing and Home Finance Administrator. The House bill carried \$18,000 a year for him, and the Senate committee would give him \$20,000, a \$2,000 increase.

The next distinction I notice is in respect to the Chairman of the Board of Directors of the Reconstruction Finance Corporation. The House gave that very able Chairman only \$16,000 a year, and I think the Senate committee very wisely raised it to \$18,000 a year. Let Senators contemplate the gigantic task the Chairman has, as a lending agent of the Government, contrasted to the heads of most banks of the country comparable in size and responsibility; and, in contrast, the salary he would receive if he got \$18,000 a year, with what the head of a great bank in any of our great cities receives. It is another difference of \$2,000 a year.

Another instance is the Comptroller of the Currency. The Senate committee raised the salary \$2,000 a year over that provided in the House bill. In the case of the Director of the Administrative Office of the United States Courts, the Senate committee raised his salary \$1,000 a year, from \$15,000 to \$16,000.

In respect to members of the Home Loan Bank Board, the House left them at \$15,000. The Senate raised it to \$16,000. In respect to the Public Housing Commissioner the House left him at the salary in the present law of \$15,000. The Senate committee raised it \$1,000. In respect to the Federal Housing Commissioner, the House did not raise his \$15,000 salary under the present law, but the Senate committee raised him \$1,000, to \$16,000.

Mr. President, I do not notice another difference in nearly a whole page of positions listed, until I come to the following one: The Commissioner of the United States Court of Claims, in the House bill, was not raised from his present salary of \$9,707. The Senate committee raised his salary to \$15,000 a year. That is about \$6,000 a year increase.

The next difference is the Assistant Director, administrative officer of the United States courts. The House raised

that gentleman from \$9,707 to \$10,000 a year, and the Senate raised him to \$15,000. All the other cases are cases in which the Senate put the individual or the position under the classified civil service. But altogether, except when the Senate put them under the classified civil-service rules, the House gave them in each case a specific increase in salary of about \$5,000 a year. The total number of differences between the Senate and House bills is nine—nine minor differences. I am confident the total of the Senate committee excess over the House bill would not reach \$50,000 for the 239 officials. So I think I am justified in saying that for all practical purposes the Senate committee has recommended to the Senate the bill of the House of Representatives has already passed.

The President of the United States goes on to say that the House bill, and therefore the Senate committee bill, is less than the President of the United States has recommended. So what do we have? We have almost identically the recommendations of the Hoover Commission task force; we have the bill, as recommended by the committee, passed by the House of Representatives; we have the bill adopted and approved in principle by the Hoover Commission; and we have a schedule in excess of the committee bill and the House bill recommended by the President of the United States.

Mr. President, I think that is pretty good evidence in favor of the schedule we are now considering. I think the Chief Executive of the United States, elected by the people, concurred in by the voice of the people's representatives, the House of Representatives, concurred in by the task force of the Hoover Commission, almost identically, and concurred in, in principle, by the Hoover Commission, is pretty good evidence for this honorable body to have before it and upon which it might well act in the decision of this matter.

The President continues:

Nevertheless, that bill does provide a reasonably adequate means for meeting this difficult problem. Together with the revisions of the Classification Act proposed in other legislation now pending, it will provide a pattern in which the salaries for different Federal positions have a much more reasonable relationship to the relative responsibilities of those positions than under present law.

Reading from another portion of the President's letter to the Vice President:

I have also pointed out that these officers—

That is, officers who for all practical purposes, are the Government of the United States, for, if I have the exact figure, they encompass 239 of the principal executives of the greatest government in the world. These officers, as a practical matter, make the primary decisions, which become the decisions, the official conduct, of the Government of the United States. They are the officials of whom we are talking. The President says further:

I have also pointed out that these officers have been passed over time and again when

the Congress made adjustments in the compensation of other officers and employees. Senators and Representatives have increased their own compensation by more than 100 percent since 1924.

I have heard it said here we ought not to increase the compensation of these officials by such a large percentage:

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I shall yield in a moment. It may not be, as the President says in another part of the letter, irrelevant to inquire what they were getting before the raise. If the percentage is large, it may condemn, not the increase, but the amount they were getting before the increase. That is where the emphasis should go, upon our inadequacy in the past, not upon the excess with which we now propose to act. I now yield to the able Senator from Arizona.

Mr. McFARLAND. The Senator mentioned the fact that Members of Congress are close to the people. Does the Senator think that the people of Florida would favor a 100-percent increase for persons now receiving \$10,000 a year? Would they vote for that, if it were left up to them?

Mr. PEPPER. I think the people of my State, as, presumably, the Representatives from my State, who, at least, voted that way, appreciate the good old principle that we generally do not get something for nothing, and that ordinarily the maxim is that we get what we pay for. The people of the United States have come to recognize that the greatest business they have is the public business. They have had enough dealings with Federal officials to want to sit down and talk to a man of competence, responsibility, and character. When they come to Washington to see someone, they want to talk to a man who is big enough for his job, who is capable of making the right decision, and who has the courage to make it.

It so happens, Mr. President, that I am running for the Senate next year; I hope, successfully, and naturally I do not want to displease my constituents, but I am not afraid to say to the people of Florida that it is not too much to pay Cabinet officers, such as the Secretary of Defense, spending colossal sums of money, \$25,000 a year, when they pay me more than half that much. I am not afraid to tell those people about the men who hold these responsible positions, such as the Comptroller General of the United States. Is not he the man who checks up upon the expenditure of public money and sees to it that it is spent according to law and that it is not stolen or thrown away? Is it not worth \$20,000 a year to pay that man to do that job? Would we want in that job a man who was not worth \$20,000?

Mr. President, with the rates of compensation now being paid, a man does not have to be too big a man to receive \$20,000 a year as a private professional man or as a business executive. I shall show, from a Government witness of repute and responsibility, something of the disadvantage the Government has in competing with private concerns for responsible executives.



So I say to my able friend, Yes, the people of the United States are willing to pay reasonable and decent salaries to their public officials. They want them to do the sort of job they have a right to expect from their public officials.

Mr. President, the President said:

Senators and Representatives have increased their own compensation by more than 100 percent since 1924, while the salaries for many of these executive offices have not been increased at all.

If we want to leave it to the people, if the able Senator from Arizona wants the people to be the jury, as to whether they think some of these executive officials are just as much entitled to increased compensation over a period of time as is Congress, I am not too sure they would decide in favor of the Congress. The truth of the matter is that I do not know of any retribution which the people have taken upon the Congress for having courage to adopt the pay scales for Members of Congress and other executives of the Government. We have increased the salaries of the President of the United States, the Vice President, and the Speaker of the House. Has any Senator received any remonstrance of any volume from his constituency regarding that action taken by us? The salary of the President had remained at \$75,000 a year as long as I can remember. In another bill passed recently we increased the compensation of the armed forces. Have we had any tirade of denunciation from our constituencies? I have not heard of any.

The Congress, a few years ago, increased the salaries of its Members from \$7,500 a year to \$10,000 a year. I am told that there was not a roll call in connection with that matter. I imagine Members of Congress were a little diffident about having it appear in the Record that they were increasing their own salaries from \$7,500 a year to \$10,000 a year. They were entitled to that salary increase, and no subsequent Congress has ever repealed it, and I have never heard of it in any election. I have never been condemned for not introducing a bill to reduce congressional salaries to \$7,500 a year.

Mr. President, I had the honor of being a member of the Committee on the Reorganization of Congress. That committee made numerous recommendations that cost more, in terms of dollars. Yet, what was public opinion? The people wanted to make Congress more efficient; they wanted Congress to do a better job; they wanted us to have better staffs. I believe I am correct in saying that we have better staffs, and we are making a greater expenditure for staffs than was the case before that bill was passed. Has Congress received denunciation? It has received not denunciation, but commendation. We have provided ourselves with executive assistants. They receive salaries of \$10,000 a year. Have any Senators within the sound of my voice received a protest from their constituencies because they have hired men to help them with their responsible work and are paying them \$10,000 a year? I do not recall a single letter which I have ever received on the subject, nor do I re-

call that any citizen has ever remonstrated with me for having voted the money to enable Senators to have executive assistants.

We have increased the compensation of the employees in our offices, but I have heard nothing in criticism of us for having done so. On the contrary, the reorganization committee had before it some of the leading business men of the country, as well as some of the leading civic organizations, some of the most public-spirited citizens, who urged us to spend a little more money immediately as a good investment for the American people in a better Congress, and in greater efficiency in the Congress of the United States.

Mr. President, I say, therefore, that the people are principally interested in our doing a good job. They are principally interested in the Government of the United States being efficient and competent.

Some of us disagree with regard to undertaking a certain program. Some of us may think it is desirable, and others may think it is undesirable, but I believe we can all agree that we want the best men for the positions, that the Government of the United States is a colossal enterprise, a huge undertaking of almost immeasurable proportions, and that to operate the Government of the United States is a challenging task for which only able and competent people should have the responsibility.

Mr. President, this bill is not a panacea. Conditions are not going to change overnight. We do feel, however, that, generally, its influence will be to bring better men and women into the service of the Government of the United States, to make the Government more efficient and, in the long run, more economical.

Mr. LUCAS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. LUCAS. How much longer does the Senator from Florida think his address will take?

Mr. PEPPER. Not over 15 minutes.

Mr. LUCAS. Will the Senator suspend long enough so that I may submit a unanimous-consent request?

Mr. PEPPER. Certainly.

Mr. LUCAS. Mr. President, I ask unanimous consent that on the calendar day of the 29th of September 1949, at not later than the hour of 2:30 o'clock p. m., the Senate proceed to vote without further debate on the Johnson amendment in the nature of a substitute for the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and that the time between 12 o'clock and 2:30 o'clock on said day shall be equally divided, and controlled, respectively, by the Senator from Louisiana [Mr. LONG] and the Senator from Colorado [Mr. JOHNSON].

The PRESIDING OFFICER. Is there objection?

Mr. AIKEN. There is, Mr. President; I object.

Mr. WHERRY. Mr. President, will the Senator from Florida yield that I may propound an inquiry?

Mr. PEPPER. I yield.

Mr. WHERRY. I am wondering if the distinguished majority leader, in view of the fact that tomorrow will be Thursday—and I am only suggesting this—will give some idea of when he feels the farm bill may be taken up.

Mr. LUCAS. Just as soon as we finish the pay bills we are going to take up the farm bill. I cannot tell how long the pay bills will take. I thought we would have the pending pay bill out of the way today. We will not take up the farm bill probably until about next Wednesday, if the other pay bills take as long as the pending bill has taken.

Mr. WHERRY. In order to expedite progress, will the Senator state that the farm bill will be taken up next Monday, or not earlier than next Monday, in view of the fact that all the other pay bills have to be taken up this week?

Mr. LUCAS. I can say to the Senator from Nebraska that there are other bills we can take up besides the farm bill. We can take up the telephone bill, which would not take very long, or take up several other small bills, if necessary.

Mr. WHERRY. If the distinguished majority leader could satisfy the distinguished Senator from Vermont, who desires to be here when the farm bill is taken up, but who has made plans which might take him away on Friday, that the farm bill would be taken up Monday, I am satisfied the unanimous-consent agreement could be reached.

Mr. LUCAS. I desire to accommodate the able Senator from Vermont, because he is one of the very influential members of the Committee on Agriculture and Forestry, and certainly has cooperated with the farm groups in the past. I want him here, of course, when the farm bill is debated, and he desires to be here, I know. My hope had been that we could get the farm bill up on Friday of this week. I am trying to bring about an adjournment of Congress as soon as possible. I am doing all I can in that direction, but every time I propose a unanimous-consent agreement, I find objection, which usually comes from the other side of the aisle.

Mr. WHERRY. Mr. President, I made my suggestion in sincerity. If we are to go into the question of objections, and who is objecting, that is a different story. I say to the majority leader that there is plenty of legislation to take up which will not hold up the program. It might be advantageous if he could make an announcement about the farm bill, but if he is not inclined to do so, I want him to know that this side is ready to cooperate, and we can proceed with the debate on the pending bill and finish it.

Mr. AIKEN. Mr. President, I objected to the unanimous-consent request as a protest against what is apparently a dual code of ethics in the field of senatorial courtesy. I have been a Member of the Senate 9 years, and I have noticed that when a Democrat wants to go to a horse race or to a ball game or has any other excuse, the routine of the Senate is adjusted to suit his convenience.

Mr. LUCAS. That was not true in the last 2 years.

Mr. AIKEN. It should not be true at all. I am glad the Senator recognizes



that it has been true all the time except for the past 2 years.

However, on the strength of the announcement by the majority leader last week that the farm bill would be taken up Monday of this week, I assured certain organizations with which I had long standing appointments to speak to them on Thursday and Friday, that inasmuch as the farm bill was to be taken up Monday of this week—and I had no reason to doubt the announcement of the majority leader—I would keep my engagements. When I found it was not coming up, I merely asked that the farm bill not be taken up Thursday or Friday of this week, and I did not get anywhere with the request. That was the only request I have made of that nature in the 9 years I have been a Member of the Senate, and I came to the conclusion that there was a dual code of ethics in that field. That is why I objected.

I think we can all remain here tonight, Democrats and Republicans alike, and remain here tomorrow and the next day and over Sunday, and talk our heads off. I think the trouble is that I have been too cooperative with the other side of the aisle, and I am beginning to find that it does not pay very well.

Mr. LUCAS. Mr. President, I regret that my good friend from Vermont has used that kind of a premise to a discussion of the farm bill. I do not quite understand his reference to a dual code of ethics. Certainly at no time since I have been majority leader have I ever denied the Senator from Vermont any accommodation he sought. It is true, perhaps, that I did make a statement along the line he suggests about the farm bill some time ago, but I said at the time we were going to take up the farm bill after we disposed of the pay bills. It seemed to me that we probably would dispose of the pay bills tomorrow. With a full realization that all Senators, including Republicans and Democrats, want the Senate to adjourn as soon as possible, I thought we would finish the pending measure today, and probably another pay bill tomorrow. I thought we could take the farm bill up and probably pass it Friday, and we would have that much water over the dam.

Mr. President, I am going to accommodate the Senator from Vermont. I do not want him to make any charges against me. I have had enough of them hurled at me since I have been majority leader, and I do not want one to come from my friend from Vermont, because I like him too well. So I am going to say to him that we will not take up the farm bill before Monday under any circumstances. It might be Tuesday, judging from the manner Senators are debating the pay bills. If the pay bill in which the Senator from North Dakota is much interested causes as much trouble as the pay bill now under consideration, we will take a week on it.

Mr. LANGER. If we run out of work, I suggest the Senator take up the telephone bill and dispose of it.

Mr. LUCAS. That is a very good suggestion, and I shall certainly give it consideration.

Mr. AIKEN. Mr. President, if the Senator from Florida will yield—

Mr. PEPPER. I yield.

Mr. AIKEN. I should like to say that I appreciate the action of the majority leader very much indeed, and as a slight token of my appreciation, I shall withdraw my objection to the unanimous-consent request.

Mr. LUCAS. That is very kind of the Senator. I knew I could finally get the Senator to withdraw the objection in some way.

Mr. YOUNG. Mr. President, I myself shall object. This is the first time I have ever objected to such a request. I myself have speaking engagements for next week.

Mr. LUCAS. Another farmer heard from. [Laughter.]

Mr. WHERRY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield to the Senator from Nebraska.

Mr. WHERRY. Apparently the unanimous-consent request is not going to be agreed to, and I ask the distinguished majority leader now if he may not be able to give us information as to how long the Senate will remain in session this evening.

Mr. LUCAS. I should like to have a vote on the Johnson substitute as soon as the Senator from Florida concludes, but I do not think the Senator from North Dakota is going to let us do that.

Mr. LANGER. I understand there are three or four other Senators who desire to speak, and I desire to speak for a little while.

Mr. LUCAS. The Senator has a list of three or four more?

Mr. LANGER. Three or four.

Mr. WHERRY. Will the majority leader tell us how late he expects the Senate to remain in session tonight? Some of the Senators have to get their dinners.

Mr. BRIDGES. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I think the Senator from Illinois, the distinguished majority leader, earlier in the day said in good faith that we were going to finish the pending bill tonight, that we were going to remain here until it was through. Many Senators on both sides of the aisle accepted what the Senator said in good faith, because they thought that when he made his statement he meant it. I still think he meant what he said, and I hope we will remain here and finish up these bills, rather than adjourn and go to the Boston Red Sox game or anywhere else. I think the Senate should have precedence. If the Senator from Illinois had not made this statement, Senators would not have gone on with their plans, but they took him at his word, and I think we should now proceed.

Mr. LUCAS. Mr. President, it is perfectly agreeable to the Senator from Illinois that the Senate proceed. I have been deluged with protests against holding a night session, and Senators have been trying in every conceivable way to

get a unanimous-consent agreement so that we could vote on the Johnson amendment at 2:30 o'clock tomorrow afternoon, and they could take as long as they wanted to on the bill. I am willing to remain as long as any Senator desires to speak. Apparently we cannot secure a unanimous-consent agreement.

Mr. McFARLAND. Mr. President, as one Senator, I do not expect to go to any ball game, but I should like to see the unanimous-consent agreement entered into. It has been my experience that we do not gain anything by long night sessions. When the distinguished majority leader stated that we would stay here until we finished the bill all of us believed—at least the junior Senator from Arizona believed—that we would complete action on the bill before 6 o'clock, and that under any circumstances we would be through with it before this time of day. As the evening goes on I find that the tempers of Senators get on edge and we simply do not accomplish anything.

Mr. LUCAS. I am not mad at anybody.

Mr. McFARLAND. Perhaps the Senator is not mad at anybody; in fact, I am sure he is not; but as the evening wears on, it is our experience that we do not get anywhere. I hope the distinguished Senator from North Dakota will not offer any objection to the vote being taken tomorrow. I think the Senate will reach a vote more quickly if we can agree to voting at some time tomorrow, than in any other way. If I thought a vote could be reached by continuing to stay in session tonight, I should be glad to have the Senate stay in session.

Mr. LUCAS. The Senator from Arizona is correct in respect to what those in charge of the bill thought they could do in the way of passing it. It was suggested to me that we could get through around 5 o'clock this afternoon. Some Senators thought we might secure unanimous consent to vote at 3 o'clock this afternoon. It was because of that sort of an understanding that I said we would stay here until we finished the bill. I thought we would surely finish it before this time.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. YOUNG. I have made all my speaking engagements and other engagements subject to cancellation when there was important work on the floor of the Senate. I believe other Senators could do the same. I am becoming sick and tired of sticking around here day after day while other Senators are away.

Mr. LUCAS. I have canceled several engagements myself in order to remain on the floor of the Senate.

Mr. President, I will make the unanimous consent request once more and see whether it is objected to. I renew my unanimous consent request, Mr. President.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. Mr. President, reserving the right to object, I believe it would be



more proper that the time be controlled by the Senator from Vermont [Mr. FLANDERS] rather than by the Senator from Louisiana, since the Senator from Vermont has led the fight on the particular phase of the matter we are now discussing. The Senator from Louisiana had discussed, and more or less tentatively agreed, to compromise this matter on the basis of the substitute, and the Senator from Vermont was very much opposed to it. I feel it would be appropriate and proper that the control of the time against the substitute be in the hands of the Senator from Vermont.

Mr. LUCAS. Mr. President, I modify my unanimous-consent request to that effect.

The PRESIDING OFFICER. The Senator from Illinois has modified his unanimous-consent request in line with the suggestion made by the Senator from Louisiana.

Is there objection to the request?

Mr. SALTONSTALL. Mr. President, may we have the request stated again, so there will be no question about it.

The PRESIDING OFFICER. Will the Senator from Illinois restate his request?

Mr. LUCAS. Mr. President, I ask unanimous consent that on the calendar day of the 29th of September, 1949, at not later than the hour of 2:30 o'clock p. m., the Senate proceed to vote without further debate on the Johnson amendment in the nature of a substitute for the bill (H. R. 1689) to increase the rate of compensation of the heads and assistant heads of executive departments and independent agencies, and that the time between 12 o'clock and 2:30 o'clock on said day shall be equally divided and controlled, respectively, by the Senator from Vermont [Mr. FLANDERS] and the Senator from Colorado [Mr. JOHNSON].

Mr. SCHOEPPPEL. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Mr. President, I regret to have taken so much of the time of my friend from Florida, who has been very patient. I want him to know that I am exceedingly grateful for allowing me to present the unanimous-consent request.

Mr. SALTONSTALL. Mr. President, will the Senator from Florida yield so I may ask the majority leader one more question?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. Can the majority leader give us any indication of how long the session will last tonight?

Mr. LUCAS. I will say to my friend the Senator from Massachusetts that I cannot give him any indication.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. NEELY. Mr. President, let me urge the able majority leader [Mr. LUCAS] to announce positively and irrevocably that he will keep the Senate in continuous session until the pending bill is passed. The net result of such an announcement would be as follows: The eminent Senator from Florida [Mr. PEPPER], whose words are always like "apples of gold in pictures of silver,"

would complete his eloquent address which has been interrupted by numerous inquiries and comments. Subsequently unlimited, tedious, tasteless verbosity, which is obviously in process of incubation, would be repressed to extinction "unwept, unhonored, and unsung."

Mr. LUCAS. Well, I am willing to stay here until the bill is passed.

Mr. NEELY. If the Senator will say he intends to do that we will be through by midnight. Otherwise we will be here till morning.

Mr. LUCAS. I do not quite understand the logic of the Senator's statement that if I say that we are going to stay here until the bill is passed it will be passed by midnight. I cannot understand the logic of the Senator. I do not see how that result would follow.

Mr. NEELY. Certain Senators desire to postpone the final vote till tomorrow or Friday. These will talk as long as they believe that a filibuster will induce the majority leader to grant the desired delay. But if the distinguished Senator from Illinois will only demonstrate a firm determination to obtain a vote on the bill before recess, the filibusters will subside in order to procure a few hours' sleep before the beginning of another trying day.

Mr. WILLIAMS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. WILLIAMS. I do not understand the reference of the Senator from West Virginia to a filibuster, because the speeches made today have all been in favor of the bill—unless it be possible that those who are speaking in favor of the bill are trying to talk it to death, which, of course, they are not doing.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. I respectfully say to the majority leader that I have a great deal of sympathy with what the Senator from West Virginia has said. I think it is very doubtful if a vote will be obtained on the substitute tonight, when Senators' tempers are on edge. I think the vote should be taken when Senators are quiet and calm. I think very little will be gained by staying here after the Senator from Florida finishes his fine address. So far as I am concerned, I will, if necessary, stay here until 5 o'clock tomorrow morning, but, as the majority leader knows, we would accomplish very little by such procedure.

I do not quite agree with the Senator from West Virginia that if the majority leader says we are going to vote on this bill tonight, we will vote on it, because I have a feeling that that will not take place. However, I do not know. In the interest of calm and thoughtful and deliberate consideration of the subject, I hope we will listen attentively to the Senator from Florida—and I, for one, am always glad to listen to him; I wish I had his ability to speak and were able to phrase my sentences as he phrases his—and when the Senator from Florida finishes I hope the Senate may recess until tomorrow. I believe we will get further along if we do so.

I ask the Senator from Illinois, the majority leader, to excuse me, but what

I have said is not by way of a question; it is a statement.

Mr. LUCAS. It is a very good statement.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BRIDGES. I think there is a good deal in what the distinguished Senator from West Virginia has said. I think his words, which are like "apples of gold in pictures of silver" are true. If the Senator from Illinois says we are going to stay here until the bill is passed, of course, it will be passed. We have made our plans to remain tonight, and there is no reason why we should not do so.

Mr. SCHOEPPPEL. Mr. President, will the Senator from Florida yield?

Mr. LUCAS. Does the Senator from Kansas want to withdraw his objection?

Mr. SCHOEPPPEL. No, I will not withdraw by objection at this point. I merely want to make an observation. The distinguished majority leader made a statement this afternoon which some of us took on full faith and credit. We believed the majority leader intended to do what he said he would do. I want to see whether the Senator really meant what he said. Some Senators had engagements for tonight which they cancelled on the basis of the Senator's statement. Some of us, as was said by the distinguished Senator from North Dakota [Mr. Young], have remained here faithfully in attendance, and I think it is about time for us to consider getting down to business and quitting a lot of this horseplay, and complete action on the bill. I am becoming rather sick and tired of listening every few days to the statement, "Well, if this thing or the other thing should happen we may adjourn." So far as I am concerned, I can remain here until tomorrow, or until the bill is voted up or down. When the majority leader says we will vote, so far as I am concerned, I am willing to stay tonight and vote.

Mr. LUCAS. I am thankful that the Senator does not care when the Senate adjourns. That is what I want him to say. That will probably help me in my thinking in the future. If I could be successful in getting more Senators to make a similar statement it would be of help to me because we have much work to do. There are many bills on the calendar, and we can stay and work on them for a long, long time. So far as I am concerned, we will stay here until the bill is passed.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. PEPPER. Mr. President, as an encouragement to those who hereafter may be called upon to make a charitable dispensation to their fellows—

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I wish to thank the distinguished Senator from Florida for his patience during this attempt to obtain a unanimous-consent agreement. I suggest that all the colloquy during the time he yielded follow the remarks of the distinguished Senator.



Mr. PEPPER. I was about to say—and the Senator from Nebraska now gives me greater encouragement to say it—that if I have been guilty of any dispensation of kindness, the rewards I have received in the shape of the generous utterances of the Senator from West Virginia [Mr. NEELY], the Senator from Massachusetts [Mr. SALTONSTALL], and now the Senator from Nebraska [Mr. WHERRY] have more than compensated for such small sacrifice as I may have made. I commend that example to those who may hereafter be called upon to dispense kindness to their fellows. Let them be assured that the bread of kindness cast upon the waters will come back manyfold.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. NEELY. Mr. President, I hope that everyone who receives the RECORD will read the lofty, tuneful utterances which have just fallen from the eloquent lips of the illustrious Senator from Florida. I believe that those who read his words will be reminded of the passage of Scripture in which it is said, "The people that stood by, and heard it, said that it thundered; others said, 'An angel spake to him'."

Mr. PEPPER. I am sure that it is the address of the able Senator from West Virginia to which those words should be applied. I have never heard more moving eloquence than I have heard from his lips in this Chamber. Surely eloquence never sprang from a warmer heart.

Mr. President, I have only a few more words to say. I have no desire to delay disposition of the bill. I was reading from the President's letter to the Vice President. The President stated that he had heard objections to the bill on the ground that some of the increases were too high in terms of percentages of present salaries. He added:

The fact is that the proposed salaries are very modest in relation to the responsibilities of these positions.

I take one example, the Secretary of Defense. Consider the power of that official over the Military Establishment, for which in recent weeks the Congress has voted nearly \$13,000,000,000. Yet we are quibbling over whether to pay him \$22,500 or \$25,000 a year. If we err, at least let us err on the side of complimenting the man by believing that he is worth \$25,000 instead of \$22,500.

The President continued:

If they appear to be high in relation to the present salaries, that is because the present salaries are ridiculously low. As I recently pointed out, the 15 top executives of a single private corporation in this country are paid more than the aggregate salary now paid to all the 250 or so Federal officers to whom this bill applies.

Think of that, Mr. President. One single corporation pays its 15 top executives more than the aggregate salaries now paid to all the 250 or so Federal officers to whom this bill applies. The United States Government must compete with that private corporation in getting good men. A few days ago we had the spectacle of an executive, a vice president of a great corporation, being un-

able to work for the Government of the United States unless we allowed him by law to continue to receive the salary which he was being paid by his company. I voted for the proposal, contrary to my inclination, because I felt that the President of the United States had confidence that that man would do a good job.

I recognized the man's individual problem. He had his own fixed overhead of personal expenses to be met. He had a family to be maintained at a certain level of living. He had retirement benefits to be considered, as well as the security of his old age. I can understand his personal problem in not wanting to give up the salary which he was receiving from his company and work for the Government at \$14,000 a year.

What was the position to which it was proposed to appoint that man? He was to be the head of the agency charged with procurement of military matériel and the provision of facilities. In substance, he would have dealt with nothing less than the security of America. The security of our country would have been very vitally in his hands. Yet the President of the United States had to humiliate himself, as it were, by making the extraordinary request that this man be permitted to continue to receive his private compensation. Obviously, Senators and others were concerned about a man being paid by two masters, when there might be a conflict of interest. So I do not quarrel with any Senator who voted the other way. Surely if we are to attract to the public service capable men, they must have adequate compensation, either in honor or in rewards of some other character, or in security.

I hear men talk about private enterprise, and the lure of reward which must always be offered. It is said that we must not stifle incentive. Mr. President, the element of incentive applies to those who work for the public as well as to those who serve private interests. The way we haggle with our public servants, denounce them, accuse them, discredit them, and disparage them hardly encourages such individuals, upon the ground of adulation, to seek public service. People go about the country calling them bureaucrats and seeking to discredit them. One hearing the references which are made by some persons to men who give their lives to the public service would conclude that they are little above the criminal class, or the class of delinquents. So I say that I think the President is right in calling attention to the fact that executives of the United States Government deserve more adequate compensation.

To what end does the President of the United States ask us to support the action of our committee, which has labored so long upon this subject, and the action of the same committee in a previous Congress, as well as the action of our sister body, the House of Representatives? Upon what basis does he make that request? I think it is all summed up in this sentence from the letter of the President to the Vice President:

The relatively small cost of this legislation will be repaid many times over in improved

efficiency in the operation of the Government.

Mr. President, we are not merely trying to give someone a hand-out. This is not an undeserved subsidy. It is an appropriation in the public interest. It is a good investment in the public service.

Mr. President, I should like to read a few quotations from the testimony of a man who brought this matter very practically to the attention of the committee. I refer to the testimony before the committee in January 1948 of the then Secretary of Agriculture, a man who is now one of the distinguished Members of this body. I refer to the Senator from New Mexico [Mr. ANDERSON]. He said:

I suppose from the standpoint of serving society best I think they should, but from a standpoint of doing a job, I think you must give attention to all wage brackets. The relative security which was available to all these people 10 years ago should be available again. As a matter of fact, the people who are in our \$10,000-a-year bracket were sort of passed over, as you know, the last time there was an increase. The result is that we have a great many people in the Department drawing \$10,000 a year and the group under them also drawing \$10,000 a year.

He was talking about the Department of Agriculture, which is handling colossal problems.

And then there are the people under those drawing \$9,975 a year, and the man who is heading up the work rather feels that the assumption of extra responsibility—the extra work and years that he has put in—fail to bring him any return at all. I have become interested in this because I have been trying to see what happens to some of the top personnel in the Department of Agriculture. I lost many men upon whom I have come to rely very, very much and when you are dealing with operations—the size of operations conducted by the Commodity Credit Corp. which is one of the branches of the Department of Agriculture—you can see that the scale of salaries that those people receive is all out of line with the salaries paid by industrial and private organizations to their employees. For example, our Commodity Credit Corporation has a capital structure about the size of General Motors, has larger inventories, and has about the same volume of sales. We realize that when they print the list of top-salaried people of the country every year that a great many General Motors officials are on the list. You will find several people—very capable people—and I am not regretting the salaries they pay—getting \$200,000 and \$300,000 a year, and yet here we are with an organization as large as General Motors and nobody gets over \$10,000 a year.

I had it put up to me in another way by an executive of Marshall Field. When we first started to make our studies of inventories we wanted to change our inventory procedures because we had to build our procedures rapidly during the war. We had certain quantities of grain, etc. \* \* \* I brought from Marshall Field one of their top executives to whom they pay a salary beyond what the Department will ever pay and he said that we should establish some inventory controls. He went to work and he said "The first thing we got to do is to find a man to run this and we have to pay him at least \$40,000."

When he told me that I said, "Can you imagine me appearing before congressional committees and asking that we pay \$40,000 a year to an individual." He then pointed out to me that our inventory was 70 times as large as the inventory of Marshall Field, and they paid their inventory man \$20,000 a year while we paid our man \$8,000.



We deal with food in the Commodity Credit Corporation, and we have as much business as the 10 largest food and soap companies within the United States put together—General Mills, General Foods, etc., add them all together and we have as much business as all of them added together. I don't have to tell you that there are people connected with these companies who draw a great deal more than \$10,000 a year. Our people are steadily in competition with them. I am not trying to say that we should be allowed to match salaries with them. What I would like to see is that they be brought within the same standard of living that they are accustomed to; that they were living under 10 years ago, or prior to the war, which would permit them to educate their children and live like they were used to in the past. They ought to now have some sort of financial reward that makes them possible again to occupy that same financial standard they had before the war. We lose people because they see an absolute limit to their efforts in Government service, and they recognize that that absolute limit does not bring them the same relative degree of independence and the same relative degree of ability to maintain their families as they would like to maintain them—as they did only a short time ago.

About 3 weeks ago we lost a man who was head of our Commodity Credit Corporation.

This is an official of the Government of the United States talking, a man who as Secretary of Agriculture had charge, in a supervisory capacity, over the Commodity Credit Corporation. Mr. ANDERSON then said:

I know of my own personal knowledge that several firms have talked to ——— in the past 4 or 5 years trying to persuade him to join the staff of any one of these organizations.

I interpolate at this point to inquire, could we blame such a person if he left the Government service to take a better job?

Mr. ANDERSON further said:

The point is this, that year by year if you are with a private concern you probably receive an increase in pay commensurate with the rise in the cost of living, but when a man stays with the Government and year by year living conditions continue to rise—as they have been—a man gets a relatively lesser salary, because if you remember at a fixed level of \$10,000 if the cost of living keeps moving up, you yourself are going backward instead of forward. I am of the opinion—and I have always believed this—that if I could have said to him, "I will take what you were making just prior to the war and I will ask the Congress to restore to you your relative position" that he would have been delighted to have stayed with us at \$13,000 a year, or \$14,000 a year, or \$15,000 a year. In other words, I don't think he needed or desired the \$25,000 a year that he took.

Mr. President, I wish to refer now to a few more illustrations of this point, because I am reading from the testimony of the man who had the responsibility for conducting a part of the Government of the United States:

Toppling the list of employees who have left between 1945 and 1947—the very top man is that of ———. I was using him to help me in food allocations. You can appreciate the fact that in dealing with food allocations you have to have someone who has the background and who is well acquainted with \* \* \* etc. He had been with Department for 7 years, but left a short time ago. \* \* \* Going with State abroad

where allowed certain allowances. They also have permission to pay salaries which are higher than our \$10,000 a year limit. \* \* \*

In REA, there was ———, an assistant administrator, who had done a very good job—such a good job, in fact, that someone has gone to him and told him "You shouldn't remain in Washington. You should come to the State of Iowa where we will make it worth while and you will not be deprived of all these pleasures"—so he goes.

All through the Department there are situations of that nature. I only say to you this, Senator, that I feel we should raise these lower brackets—yes—I think it is impossible for a person who is married to even think of trying to live on a salary of \$2,000 a year, and it is pretty bad that more than half of the employees in the Department of Agriculture are in grades that start at less than \$3,000 a year—but I also hope that you won't, if you present any legislation, overlook the plight of these men who are very fine officials, who have done magnificent work for this Government and who ought to be rewarded.

Let me tell you one thing that got under my hide very much. The Coca-Cola Corp. offered one of our top scientists, Dr. ——— a position. He had been with us a great many years. He was with the Department, I think, for 22 years. He had contributed tremendously to the program of utilization of products. Heaven knows what his work was worth to the American farmer. It was worth way more than he was ever paid. So acute was that man's conscience and his fidelity to his Government responsibility that he refused to talk to the Coca-Cola Corp. He said, "I can't talk to you. I am an employee of the Government. The Government spent a long time training me for these responsibilities. You will have to go and ask and get permission before you can talk to me." I was floored when that man even refused to negotiate until they had come in and approached me—because we had no contract with him. It was just his sense of loyalty to the Government. \* \* \* I told them very frankly that if they were going to pay a big salary—fine—but if they were just going to give him peanuts compared to what we were giving him, I would try to persuade him to stay. We were giving him \$9,000. That was the top that we could give him. They went to him and offered him in excess of \$30,000—\$36,000, I think, was the figure—about four times at least what we were able to pay him—and yet he wouldn't even think about it until I had released him. That's loyalty that you cannot buy, Senator. \* \* \* I think something should be done for that kind of loyalty, not to try to give him a comparative increase, but we should offer them enough merely to bring them back to doing the things that they were accustomed to before the war, and 10 and 15 years ago.

Take the case of Mr. ———. He was with the department for 33 years, 6 months and 20 days. He was within four more years of retirement. A group of people representing the fresh fruit and vegetable industry came to him and offered him a position as director here in Washington. It was a position that he had to accept immediately—that had to be filled right away—a position that would probably never come his way again. He had to take it or someone else would get it, and it was a wonderful opportunity. He came into the office and talked to me about it. I told him that I would regret to see him leave and to see the department lose such a valuable man—he was one of our oldest and most valuable employees—and his advice was priceless—

That is the word his superior used—but I recognized that it was an injustice to tell him to stay with the department because this was an opportunity which he had to accept at once, so I reluctantly said to him that I would have no objection to his leaving

and that he had my complete good wishes. It was worth a good deal to him to think about his eligibility for pension rights but when you consider that the cost of living was catching up with him and his earning power and earning capacity was diminishing he decided that he made the correct move in accepting this other position.

I can assure you, Senator, that I can go through this long list one by one and read off the names of people, maybe not as prominent as some of these that I have talked about, but individuals who have been with us for 20 years—18 years—15 years—who have reached the point where their wide knowledge of Government programs and their experience with Government activities is of tremendous value to us and who had to leave. When it becomes necessary to compete against private industry, we will never perhaps be able to compete with their top officials, but you give to these men something else that they treasure, and that is that they like perhaps the scientific approach that they may follow in the Government without too great an interference \* \* \*, but you absolutely must do something about giving them the opportunity to live the way they are accustomed to living—the way they lived 10 and 15 years ago, and before the war. We face strong competition with these other companies; but when the Government has a job in which the official can make a mistake that would cost the Government \$100,000,000 then we had better have a man in there with some administrative ability.

A mistake costing \$100,000,000. We had better have a man in there with some administrative ability.

That is my only reason for saying that, while I request and will appreciate anything that you can do for the people in the lower brackets, still I hope that substantial justice will be done for this other group of individuals in the higher brackets.

Mr. President, there is some other testimony I think pertinent, given by this distinguished colleague. Rather than detail it myself, I ask unanimous consent that the part I did not read appear in the body of the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. PEPPER. Mr. President, what is the difference between the substitute and the committee bill? It is not great. The total amount saved, according to the statement of the Senator from Arizona, is \$400,000 or \$500,000. For how many people, Mr. President? Two hundred and thirty-nine of the top executives of the United States. That is the figure the able Senator from Louisiana gave—about 239. All the substitute proposes to save in dollars, in direct salary, is some \$400,000 or \$500,000. But, Mr. President, what do we lose in better government that we would get by a little greater recognition of these employees, such as the pending bill would give? These 239 men, and perhaps women, as I said, to a very large extent every year are spending of the people's money \$35,000,000,000, nearly \$40,000,000,000, with our present budget. The Senator has already given us the infinitesimal percentage of the budget they would get altogether, and even less would be the increase in the compensation which the pending bill carries with it.

Let us see, Mr. President. In the first place, take the category of about 12 or 14



of the Cabinet officers and the principal executives of the United States, in the executive branch. The Senate committee would give them \$25,000 a year; the substitute, \$22,500. Shall we for the difference risk the disagreement and the delay that might ensue with the sister body in the future consideration on the matter? Are we disposed for that small difference to repudiate a committee that studied so diligently and so hard upon this measure—a difference with our sister body and with the President and with the Hoover task force, and with the principle declared by the Hoover Commission?

For the next category, the cases of about 15, such as the Comptroller General of the United States, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Administrator of the Federal Security Agency, the Administrator of Veterans' Affairs—spending \$6,000,000,000 a year—for that category of officials, the under secretaries of the principal departments of the Government, what does the substitute do? It cuts from the salaries of these officials \$5,000 a year that would be provided by the committee bill and the House bill.

The committee and the House and the President and the Hoover task force would give them \$20,000 a year. The substitute proposes to save \$5,000 a year from the salary of each of these men. Is it worth it, Mr. President? And while the substitute would allow for the White House officials assisting the President the same amount as is provided by the Senate committee, nevertheless they wisely, I think, provide the same amount for those officials.

But, Mr. President, in the next category of cases they make no distinction. As we go down the scale they group together the Chairman of the Atomic Energy Commission, the Chairman of the Munitions Board, the Chairman of the Research Development Board, and about the last 50 or 75 executives. Instead of a sliding scale beginning with \$18,000 a year, as the Senate committee and the House of Representatives provide, the substitute would put all of that category in one class, \$15,000 a year; that much, and no more.

Mr. President, I think all of us recognize the administrative desirability of having the officials under an executive receive less than he receives. It is a part of the recognition of the position of the superior that he shall receive more. If he does not get more, it is generally supposed he does not deserve more, and he does not have the prestige that comes from occupying a superior position. Yet, for some reason, the substitute would completely ignore all the study which has been devoted to this matter by the committee and by the House, that there should be gradations in a group—\$18,000 a year for the Chairman of the Atomic Energy Commission, and officials of comparable responsibility, dropping down to \$17,500, and then to \$16,500, and then \$16,000, to \$15,000, and then finally down to \$12,000. Instead of the sensible gradation which the House and the Senate

committee have presented, apparently without any deep study of the subject, at least any with which I have been acquainted, the Senators offering the substitute bracket them all together under the scale of \$15,000 a year.

Mr. President, I see no reason why we should reject the committee's work, which seems to be on its face so obviously sensible, and reject the judgment of the sister body for a program which at least seems to be illogical in not recognizing some distinction in the several positions.

So, Mr. President, I venture to say the committee has acted wisely. They have acted upon study and understanding. They brought us a result which appears to be a common-sense recommendation. The fact that they concur in the judgment of the sister body and the Hoover task force, and that their recommendation is even somewhat below the recommendation of the President of the United States, would seem to justify me, as a Senator not on the committee, in not proposing to a contest with their judgment, and to accept the recommendation they have made.

Mr. President, it is unnecessary to remind the Senate of the magnitude of the power and responsibility of the Government of the United States of America. This blessed Government of ours is not alone accountable for the destiny of this country, but our kind of world rests upon its shoulders. If the men occupying the positions for which we are today providing compensation should fail, America fails. Their decisions, Mr. President, make the world tremble, less certain of its high destiny, or more assured that it is going gloriously, prosperously, and peacefully ahead.

Mr. President, I am glad I have an opportunity to support such salutary recommendations as are presented to the Senate by the eminent Committee on Post Office and Civil Service.

#### EXHIBIT A

(After chairman quotes certain figures.)

I would approve of that, Mr. Chairman, but I still believe that there are positions in these various agencies that sometimes need special treatment. I think, for example, that we ought to have an opportunity on occasion to go back to our committees—legislative, appropriations, civil-service committee—and ask for special exemption for particular jobs, such as the head of the Commodity Credit Corporation, or the Assistant Secretary. We have people who are doing experimental work in our laboratories \* \* \* that I hope may have a chance to get somewhat more adequate compensation. I would support, however, everything that is being done here; but I just thought that there should be one slight provision that would permit us to come before the various committees and ask for a few exempted positions, such as the man who operates the Commodity Credit Corporation.

I recently spoke to a very fine individual who makes a lot more money than the President of the United States and tried to get him to come down and take the job, and he asked me a series of questions. He said, "How much would I be getting?" I said \$10,000 a year. He said, "What would the next two or three people under me be getting?" I said \$10,000 a year. He said, "What about the men under those men?" I said \$10,000 a year. Then he said, "I don't know what you need me for." The point is that there was nothing that marked him off.

That man wasn't concerned particularly about the salary he would receive, but if the salary had been \$15,000 and the people under him were to receive \$10,000 he would have thought that he had some recognition and responsibility.

The CHAIRMAN. Mr. Secretary, under this bill, the head of that Commodity Credit Corporation would get \$17,500.

Mr. ANDERSON. That would be sufficient, because it would make a differential there.

The CHAIRMAN. The next man under him would get \$15,000 a year.

Mr. ANDERSON. That range would be satisfactory as far as I am concerned. I think that would permit us to get and to keep the type of men we need.

The CHAIRMAN. We will be very grateful to you if you will have your chief counsel come in and see Mr. Riley. If he wants to change the language in the bill in any way we would be delighted to have his suggestions to cover the Department of Agriculture. We want to be sure that the language covers the Department of Agriculture the same as any other department. You know, it is quite a difficult problem to take care of every one of these departments. They have so many different titles—under secretary, assistant secretary, etc.—and we will be delighted to amend this bill to protect you, because we want you to have the best help you can get at a decent salary.

Mr. ANDERSON. Thank you very much, Senator.

[U. S. Department of Agriculture, Office of the Secretary, Washington, January 14, 1948]

SECRETARY ANDERSON ADDRESSES ECONOMIC CLUB OF NEW YORK

"Loss of competent executives and specialists from Government has become an important national problem which is especially pressing in the current period of heavy governmental responsibility in the international economic field and the search for business-executive types to aid in Marshall plan administration." Secretary of Agriculture CLINTON P. ANDERSON said tonight in a talk before the Economic Club of New York.

Speaking on the subject "1948—A Year of Decision," Secretary ANDERSON declared that success of the economic recovery program is vital to the people of the United States as well as to the people of Europe.

"We are leaving indecision behind us," he said. "We see clearly that world trade cannot flow without rehabilitation in Europe and that our own economy requires world trade. We see too that our aid to European rehabilitation will cost us less in the long run than failure to provide that aid now."

Declaring that "we as a people are ready to make our decision to engage in the greatest peace-building program in history," Mr. ANDERSON directed attention to the importance and difficulties of good administration in carrying out the recovery program.

To illustrate, he discussed current administrative problems of the Government, pointing out that they are all connected with European recovery program because various agencies will have responsibilities in the recovery program and also because any new agency will meet the same problems with which the Government is now confronted.

"Those who think bureaucrats are fair targets for any sort of reckless accusation tend to undermine the Government they say they want to improve," Secretary ANDERSON said. "Reckless accusations can help to make Government become what its worst critics claim it is. Continual sniping and carping, combined with rigid low limits on salaries of top-grade people, discourage even the tough-hided public servant. He might continue to take one or the other of the handicaps because he takes pride in public



service. But the combination of unrealistic criticism and low pay for heavy responsibility becomes too much to take. The man in whom the Government has invested time and money building up experience and skill to do a job for the people finally accepts a more lucrative offer or simply chucks the job to get a little freedom. You can't blame him. Even the shrewdest subversive elements couldn't think of a more effective way to discredit and undermine good government. And yet the damage is done by well-meaning citizens who really want efficient, business-like administration, as well as by individuals who seek to discredit others as a means of gaining political advantage. I don't see the logic in demanding business-like administration and at the same time making it almost impossible to achieve.

"Let's look at this personnel matter strictly from the dollars-and-cents straight business viewpoint," he suggested. "This is a realistic viewpoint because there are many common standards for public and private business administration even though it is true that you can't run Government exactly like a private company any more than you can run your company exactly like Government.

"One common need is competent personnel. If you're a businessman you know that a man who is inefficient or has bad judgment can cost you many times his salary. That fact will apply in the European-aid program just as surely as in any private business. A good salary for a good man is a fine investment that returns manyfold. You raise salaries and pay bonuses and do various things to keep your good men with you and to satisfy their natural desire for personal progress and satisfaction.

"I can't do that for the top men in the 'firm' I head. My board of directors says nobody in the career ranks is worth more than \$10,000, regardless of his responsibility and regardless of what he's worth to somebody else. Up to that salary, a person can advance and he can have cost-of-living increases. But not the top people—not the two-tenths of 1 percent of our full-time USDA people who carry the greatest responsibility. Most Government workers have had pay raises in recent years to make up for rises in prices and business wages. Those who were making \$8,000 before the rises are now up to \$10,000. The jobs that paid \$10,000 before the rises would now pay between \$12,000 and \$13,000 if they had had comparable increases. But they have had none. Remember that the cost of living is higher in Washington than in any other city, and \$10,000 there lacks a whole lot of being as much as it would be in Albuquerque or Omaha.

"One standard in business is to pay in accordance with responsibility. You and your people are probably also responsible for a great deal of other people's money. In our 'firm' we work with other people's money altogether. We're not told just to do our best with it but to accomplish certain specific results, and, of course, we have to account for every penny. I could tell you about our great research establishment from which business as well as agriculture benefits. Or about our trusteeship and management of national forests of tremendous value. Or about our soil-conservation, rural electrification and credit programs. Or about our service and regulatory work.

"However, I want to use an example that is more comparable to private business. This is the Commodity Credit Corporation—one corporation in one department of Government.

"The CCC is not the biggest corporation in the world, but from the standpoint of varied types of operation and magnitude combined, probably no private corporation can equal it. On the average from 1942 through 1946, it

had slightly more total assets than General Motors, inventories twice as big, and almost as big volume of sales. CCC also had subsidy, loan, and purchase activities for which there is no basis for comparison in private industry. I'm not pleading for the topside General Motors salary schedule in CCC. That would sound fantastic. But I call your attention to the fact that a recent study of executive salaries in industry showed that more than 65 percent of those in a large sample were higher than \$50,000 in 1944. I simply raise the question as to why we think the talent to run Government business is worth so much less than the same kind of ability in other fields.

"To get a close comparison of CCC in the agricultural field, you have to combine 10 of the largest corporations purchasing, processing, and distributing agricultural products. Ten of the leading food and tobacco companies together had smaller average total assets from 1942 through 1946 than did CCC. Altogether their average inventories were only slightly larger. CCC sales averaged 81 percent as large. Incidentally, CCC sales in that period equaled 10 percent of the Nation's retail food and drink business.

"Commodity Credit Corporation has shrunk somewhat since the end of the war, but it is still a big business, and it evidently will have heavy responsibilities in carrying out the European recovery program.

"The average total assets of CCC from 1942 through 1946 were more than \$2,000,000,000. Aside from the Secretary of Agriculture, the CCC business is conducted by men who make \$10,000 and less. We lost one of our best and most experienced CCC businessmen the other day to a grain firm that does only a tiny fraction of as much business but can pay much more salary. I am sure this man had many previous opportunities to take better jobs outside but stuck loyally to his public post until he felt he could make the sacrifice no longer.

"The Department of Agriculture has lost one-sixth of its top-grade people through resignations in the last 2 years. We have also lost a big percentage from the next lower grade. There's something wrong with a Government salary scale for top administrative officials when business firms can regularly afford to pay anywhere from half again as much to four times as much. It means that business gets the pick of the administrative talent of the country and your Government business for which you pay taxes can't compete. We do not and could not make up for our problems in top management by increasing employment in lower brackets. Incidentally, our total employment is smaller than that of various private firms that do less business.

"Another characteristic of good business administration is summed up in the word 'confidence.' You need the confidence of the people you do business with, and to succeed a business needs mutual confidence between employer and employee. How far would you get if you said to your employees: 'You may be worth \$15,000 but I'll pay you ten. On top of that, I'm suspicious of you. I think you're a liar and a cheat. Now do your best for me.

"Unfortunately, that's too often what the public employees have to put up with. One of the charges in the great grain 'snoop' now going on in Washington was that around 200 Government employees were running a speculative pool in Chicago. Businessmen know that no grain firm would handle such a pool and I know the Government employees would not join it. But the charge is made with a straight face.

"Recently you have heard all sorts of wild charges about 'inside information' in the commodity markets. If anybody bothered to study the situation, he would readily un-

derstand that there is no such thing as inside information.

"Knowledge of how we operate would in itself answer most charges.

"This morning not a person living knows how much grain the Department would buy today or whether we would buy any. Nobody knows whether we will buy any tomorrow. The buyers themselves don't know until they see the offers they get. Our general plans for the year have been announced. As soon as we decide the amounts to be shipped to individual countries for given periods that information is made public. We're receptive to offers every day, but our buyers never go into the market and bid for a certain amount or at a stated price. They have general instructions as a guide in accepting offers. As a rule, they pay only the going price already set by private trade and undertake to accept no offers that would bull the market. I am proud of the fact that our methods are so fair that nobody has had the temerity to attempt to smear the good name of those who actually carry on the buying. Note also that we buy in advance of our needs so that we don't have to bid above the market in order to fill a ship. Each week we announce our purchases to everybody at the same time through press releases. The mere fact that we are buying a substantial share of the total supply obviously is a demand factor that influences price, but we have deliberately and successfully sought to keep our operations from causing rapid fluctuations in price. I think you will find that our operations in any week or month have caused less fluctuation in price than somebody's rumor of a dust storm or a good rain. You can also be sure that Government buying for export has had far less effect on the markets than would have resulted from competitive scrambling by individual representatives of the importing countries.

"By the very nature of our operations and the fact that we publicly announce our plans and operations fully, anyone interested can learn every salient fact about our purchase programs.

"It is significant that the snide references and innuendoes you hear regarding so-called inside information come from political sources rather than from responsible businessmen who deal in grain and who know our procedures.

"In fact, you may recall that the decision to subpoena me for testimony on grain trading was announced by the Republican policy committee in the Senate before the Appropriations Committee had voted on the question. It was a party matter first and an official committee matter second.

"The Nation needed the shock administered recently by Chancellor Robert M. Hutchins, of the University of Chicago, when he advised faculty members and graduates not to enter Government service.

"He has rendered a public service by calling attention to the undesirable conditions public servants encounter. We must correct those conditions. Regardless of who the elected officials are, or what party they may represent, Government needs its share of the best talent in the country. Able, well-educated, well-trained people are among our greatest national resources on which business and industry systematically draw. Government must have access to these human resources too.

"If mediocrity isn't good for private business, how can it be countenanced in public business serving the interests of all the people?"

Secretary Anderson also took account of frequent charges of Government propaganda.

The Department of Agriculture was created to gather and disseminate information, he pointed out. "A large share of the work



Congress directs us to do is authorized for the sole purpose of giving new facts to farmers, consumers, and industrial concerns. Neither research nor action programs can produce results worth the money if you don't keep the public informed. Citizens depend on us for information. For example, our bulletin room alone gets 3,000 letters a day. And yet the Department people are frequently criticized for doing the very job they have been ordered to do.

"Strangely enough, some of those who shout loudest that the Government ought to tell the people more are the most vociferous in charging us with issuing propaganda, especially in election years."

[Excerpts from introductory statements by Secretary of Agriculture CLINTON P. ANDERSON in his Agriculture Department appropriation bill, 1949; House committee, January 26, 1948]

#### PROBLEM OF RETAINING KEY PERSONNEL

Perhaps our most difficult personnel problem is one which is not directly related to the enforced reductions. I refer to the cumulative effect of losing top-grade executives and specialists. In the Department of Agriculture as well as in other parts of the Government, the difficulty of holding competent people in the higher grades has become an important national problem. This is a critical period for democracy, and in our determined effort to stimulate economic recovery abroad, and in many other ways to build a lasting peace, the Government carries heavy responsibilities. The effectiveness of our unprecedented efforts depend in great measure on our having competent people to direct the work. At all times, Government is so closely related to our individual welfare that we cannot afford less than the best possible personnel. Today that is even truer than usual. But look what is happening.

We are losing many of our top people after long experience in the Department, losing them when their experience and training should pay greatest dividends. For example, we lost an even 100 years of experience through just four resignations of men you know. The men are C. W. Kitchen, Tom Stitts, O. E. May, and Carl Farrington, who left for much higher salaries than we could offer. They had worked their way up to positions of major responsibility through long service in the Department, the periods ranging from about 20 to 33 years.

The most recent and regrettable resignation was that of Carl Farrington, who carried primary responsibility for the work of the Commodity Credit Corporation. He took a job at a much better salary than the \$10,000 we could pay him with a grain company that probably does a very good business but which does not begin to compare with CCC in size and responsibility. In fact CCC had an average total assets in the years 1942 through 1946 larger than the combined assets of 10 of the biggest food and tobacco corporations. \* \* \*

We are losing scientists as well as executives.

At the northern regional research laboratory in Peoria, Ill., we lost, since 1943, 2 heads from \* \* \* 1 from \* \* \* and have lost at least 11 section heads or other key scientists. In general, these men receive in their new jobs two or three times the salary paid at the laboratory.

Why do competent people leave the Government? As I understand it, they have two main reasons—and it's the combination of the two that often does the damage: One is the \$10,000 limit on salary; the other is the endless barrage of criticism mixed heavily with insinuations that some Government employees feel amount to slander. Many people who could take either the sacrifice

of money or the indignities of office finally succumb to the combination.

Everybody can help relieve the one problem by refraining from reckless abuse of our public servants.

Congress can relieve the other problem by easing the restraint on salaries in the top grades. Even to give the top people the same percentage increases that have been granted other Federal workers in recent years would help considerably. That would bring the salary for the highest grades up to between \$12,000 and \$13,000. If action is not taken, Government can become what its worst critics claim it is.

#### LOSS OF KEY PERSONNEL

Mr. DIRKSEN. I readily understand the problem and I have wondered many times about the solution. You mention two things as being responsible for key people so often leaving the Government. The first, of course, is the indignities and the insinuations that come and the second is the matter of salary.

I want to say for the record that I rather subscribe to the idea that there are a good many people who do not come into the Government and a good many people who leave the Government because they get everlastingly tired of somebody impugning their motives and having the label of bureaucrat applied to everybody. I have mentioned that many times publicly in different parts of the country.

Mr. ANDERSON. I do not know, Mr. Chairman, what other members of the Cabinet would say about it, but if I could hold onto the people that are able to do the job for me—the people that I need to have to get the job done—that would be far more important to me than the salary that I, myself, might draw as a member of the Cabinet. We have to have some way, I think, of measuring the increase in the cost of living and the value of the dollar.

Perhaps we need to have an automatic yardstick that would raise and lower in case the shifts were of sufficient size. But I do know that we would have retained some of the people whom we have lost had there been an opportunity to come even close to measuring the changes there have been in the cost of living.

May I just use the case of Carl Farrington since I have mentioned him in my manuscript. I think that Farrington, who long remained in the Department with less money than he could have gotten outside would have continued his Government career and enjoy that career if there had been an opportunity for him to have had just enough to do the things he thought he ought to do at his time in life and with his responsibility.

Mr. DIRKSEN. I think probably there is an answer to this salary problem; there must be. When all is said and done, the Government of the United States is the largest corporate enterprise in any time or generation.

Mr. SHEPPARD. You have developed something very interesting, but there are some other factors involved here that are rather disturbing. For example, there is a man out in California that was drafted by State Department and the Department of Agriculture jointly, if my information is correct a man who was academically well grounded and functioned in the capacity of agriculture in several of its ramifications over a long period of time. That man has been trying to get himself associated with Government because he likes the work and because he has a private income. From what I can learn about the gentleman he has definitely both business and legal qualifications. He does not even get any responses to letters that he has sent in. What is the answer to a situation of that kind? \* \* \*

Mr. ANDERSON. I cannot give you an answer to that. I can say to you only that I got a letter a few days ago after I had made a talk in New York in which I stressed the difficulty of obtaining people from a man who said that he was a little surprised to hear what I said: That he was drawing a salary equal to that made by the President of the United States, but that he would be willing to work for \$10,000 a year if he could help us out during this emergency and he has an answer right now. I will be glad to check your case. \* \* \*

#### REFERENCE MADE TO CUBAN SUGAR GROWERS—PEGGED TO COST-OF-LIVING INDEX

It does seem to me as we have automatic promotions because of the length of service, and qualified service, we might have some automatic adjustments in Federal pay rates on the basis of general increases in the cost of living in a certain measurable size, and then certain drops, perhaps in those bonus payments—regarding them frankly as cost-of-living bonuses—in case the cost of living came down again. I think it is very important that a person working in Government does not have to stop and calculate each month whether the cost of food he intends to buy is going to go up or down. I do not think there is a single private industry that is not raising wages in recognition of the cost-of-living increases. I think the Government is going to have to do something about it.

Now the proposal steadily comes in—raise all salaries \$800 or something of that nature. That does not take care of this problem of the \$10,000 a year man.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Maybank
Anderson	Ives	Mundt
Bridges	Johnson, Colo.	Myers
Butler	Johnson, Tex.	Neely
Byrd	Johnston, S. C.	O'Mahoney
Chapman	Kem	Pepper
Cordon	Kerr	Russell
Donnell	Kilgore	Saltonstall
Douglas	Knowland	Schoeppel
Eaton	Langer	Smith, Maine
Ferguson	Leahy	Sparkman
Flanders	Long	Stennis
Frear	Lucas	Taylor
Fulbright	McClellan	Thye
Green	McFarland	Watkins
Hayden	McKellar	Wherry
Hickenlooper	McMahon	Williams
Hill	Magnuson	Young
Holland	Malone	

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). A quorum is present.

Mr. LANGER. Mr. President, what I have to say will be very brief. I wish first of all to read the names of the members of the Committee on Post Office and Civil Service. The chairman is OLIN D. JOHNSTON, of South Carolina; then there are KENNETH MCKELLAR, of Tennessee; RUSSELL B. LONG, of Louisiana; MATTHEW M. NEELY, of West Virginia; J. ALLEN FREAR, JR., of Delaware; HUBERT H. HUMPHREY, of Minnesota; FRANK P. GRAHAM, of North Carolina. Those are the Democrats.

The Republicans consist of RALPH E. FLANDERS, of Vermont; RAYMOND E. BALDWIN, of Connecticut; EDWARD J. THYE, of Minnesota; ZALES N. ECTON, of Montana; JOHN FOSTER DULLES, of New York; and myself. Every member of the committee



was present when the bill was considered and ordered to be reported. I will say to the Senate that the committee is certainly an average committee of this body.

Some time ago we adopted the La Follette-Monroney Act, which gave certain powers to the Committee on Post Office and Civil Service. The second power has to do with—

The status of officers and employees of the United States, including their compensation, classification, and retirement.

That is entirely subject to this committee. The Committee on Expenditures in the Executive Departments, to which the distinguished Senator from Colorado said the bill might be referred for study, has absolutely no jurisdiction of the subject of any kind or character. The bill might just as well be referred, so far as legality is concerned, to the Committee on Foreign Relations.

I want to read again the power the committee has relative to compensation. It has the power over—

The status of officers and employees of the United States, including their compensation, classification, and retirement.

The first power is that the Committee on Post Office and Civil Service shall have jurisdiction, full and complete, of the Federal civil service generally.

The third power is over—

The postal service generally, including the railway-mail service and measures relating to ocean-mail and pneumatic-tube service, but excluding post roads.

In addition to that, it has jurisdiction over the postal-savings banks, census, and the collection of statistics generally, and the National Archives.

Mr. President, what is proposed by the so-called Johnson substitute? We have before us House bill 1689, an act to increase the rates of compensation of the heads and assistant heads of the executive departments and independent agencies. That is a matter which comes squarely under the jurisdiction of the Committee on Post Office and Civil Service, and is a matter having to do entirely with compensation.

It is very significant that a short time ago in this body a petition was filed to discharge the Committee on the Judiciary from further consideration of the bill relating to displaced persons. That is the first time, since 1932, I believe, that such action has been proposed. That petition has set an example; it has set a precedent. Those who have filed the petition have not gotten very far in the discharge of the committee from consideration of the bill. I will say that when the matter comes up for consideration there are at least four of us who are going to be here morning, noon, and night to fight that petition. I hope that by that time a good many more Senators will join us. But the precedent which was set by filing that petition encouraged certain Senators to offer the pending substitute.

Mr. President, a few Senators 2 years ago tried to run the Senate, and did not quite succeed, although they tried hard, and that resulted in the defeat of the Republican Party. They tried, and tried

hard, after our committee had worked for nearly a year and a half on a pay bill, to defeat it. I have here in my hand the testimony on the subject so any Senator who wants to look at it can see it. It contains chart after chart prepared by various departments at great cost and expense, itemizing the work of every single Federal employee. What did the Republican Party do? The policy committee sent the Senator from New Hampshire [Mr. BRIDGES], then the distinguished chairman of the Appropriations Committee, to the Committee on Civil Service. He did not know whether the committee was working and dealing with a bill to pay decently many persons who had worked for the Government for many, many years. He admitted he knew nothing about the matter. I was chairman of the committee at that time. He did not ask the chairman of the committee whether he could appear before the committee. He did not announce his coming. The committee always met on Tuesday. One morning at 10:30 o'clock in walked the distinguished chairman of the Republican-dominated Appropriations Committee. What did he say to us? Did he inquire of a single Republican colleague as to how much the pay raise should be, if any? Did he inquire of anyone when he came in as to the merits of the bill? Oh no. He said "We are going to appropriate not more than one-half billion dollars." We showed him that some persons were to have their salaries increased \$600 or \$700 a year. We showed to him the cases of veterans who were working in the mail-handling department of the United States Post Office. We told him of veterans who had fought at Tarawa and Guadalcanal, and who had testified before the committee that they were receiving \$1,950. Yet he was not the least bit interested. He said the Republican Party had received a mandate to reduce expenses, and that one-half billion dollars would be appropriated, and not a single cent more.

When I went to the chairman of the Republican policy committee and asked that the members of my committee be given an opportunity to be heard and to present the proof in company with very fine Senators on that committee, the majority of them Republicans, men like the distinguished Senator from Vermont [Mr. FLANDERS], the distinguished Senator from Connecticut [Mr. BALDWIN], and other fine members of the committee, the chairman of the Republican policy committee denied us even the opportunity to appear before his committee.

Mr. President, I worked and helped to carry my State for Willkie. The Republicans carried the State for Dewey. Yet, even only a few weeks before Mr. Dewey was campaigning for the Presidency we were not given the opportunity, as members of the committee, of appearing before our Republican policy committee.

At that time I said, and I say it again, that I do not believe in the system of having a Republican or a Democratic policy committee consisting of but a few men. The Senator from Vermont [Mr. ARKEN] was not a member of the policy committee last year, the Senator from

Oregon [Mr. MORSE] was not a member of it, the Senator from New Hampshire [Mr. TOBEY] was not a member, the Senator from North Dakota was not a member of it.

The only satisfaction we finally got was that one newspaper in Pennsylvania wrote us up and said that we were sons of the wild jackass and I was the king of the wild jackasses. The committee did not need our bunch. They did not need anyone who was progressive as a member of that committee. They had the votes for President of the United States all counted. They knew, or thought they knew that Truman did not have a chance.

Mr. President, we witnessed a spectacle on the Senate floor when our committee acted and some of us led the fight for a decent pay bill. One of the Republican Senators rose and asked the chairman of the committee to move over on the Democratic side. The head of the Republican policy committee objected to unanimous consent to take that bill up. The representatives of 2,000,000 persons, heads of various organizations, came before the committee and testified. Some of them came as far as 2,500 miles to testify. But that did not mean anything to some Senators. They did not even read the testimony. So far as the Republican policy committee is concerned, the Committee on Post Office and Civil Service might just as well not have existed.

We took testimony day after day. The testimony consists of 697 pages in fine type. Among the witnesses who were called were Senators, Representatives, and heads of various organizations such as messenger organizations, letter carrier organizations, motor vehicle organizations, and veterans organizations.

The sponsors of the substitute paid no more attention to that testimony than they are paying today to the two reports which we have before us now. I venture the assertion that not a single Senator who signed this amendment, which has the effect of discharging our committee, ever read the testimony; but they know all about it. They do not need any advice from any member of the committee, either on the Democratic side or the Republican side.

So we find these Senators, Democrats and Republicans, joined together in a so-called coalition. They set themselves above all other Senators. They include some southern Dixie Democrats and some reactionary Republicans and a few others. They joined together to discharge the Post Office and Civil Service Committee. Here are their names: The Senator from Colorado [Mr. JOHNSON], the Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], the Senator from South Carolina [Mr. MAYBANK], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Arizona [Mr. MCFARLAND], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], the junior Senator from Kentucky [Mr. WITHERS], the senior Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from Mississippi [Mr. STENNIS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Alabama [Mr. SPARKMAN], the Sen-



ator from Iowa [Mr. GILLETTE], the Senator from Florida [Mr. HOLLAND], the Senator from North Carolina [Mr. HOEY], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Virginia [Mr. BYRD], the Senator from Ohio [Mr. TAFT], the Senator from Michigan [Mr. FERGUSON], the Senator from Washington [Mr. CAIN], the junior Senator from Nebraska [Mr. WHERRY], the senior Senator from Nebraska [Mr. BUTLER], the Senator from Nevada [Mr. MALONE], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Utah [Mr. WATKINS], the Senator from Indiana [Mr. JENNER], the Senator from Kansas [Mr. SCHOEPPPEL], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Missouri [Mr. KEM], the Senator from Ohio [Mr. BRICKER], and the Senator from New Hampshire [Mr. TOBEY].

I repeat that I do not believe one of those Senators ever read the testimony given before our committee. Certainly none of them ever discussed it with me, as the ranking Republican member of the committee. Not one of the Republican Senators in that list ever consulted with me as the ranking Republican member of the committee. But when the election rolls around, we are expected to carry our respective States.

When the farm vote was needed, they sent for our colleague GEORGE AIKEN, of Vermont, and told him to go out and get the farm vote for the Republican Party. But when the Republican Policy Committee decides upon its policy, GEORGE AIKEN is very conveniently forgotten. They do not need him in the Republican policy committee. They need GEORGE AIKEN when they want the votes of Progressives.

Mr. President, the substitute is so carelessly drawn that the Senator from Colorado [Mr. JOHNSON] who offered it, has filled the pages with words written in. So even the Senators whose names appear on the amendment did not agree to the amendment which is offered. Modifications of the substitute were written in on the floor of the Senate this afternoon. On page 2, line 3, after the words "per annum" certain words are written in. On page 2, between lines 20 and 21, further language is written in. The language written in extends out into the margin. On page 4 a portion of the amendment is stricken out.

That is the kind of legislation which it is proposed to have the Senate approve, after men like the Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. BALDWIN], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. HUMPHREY] and others spent many days drafting a decent bill. If they think they are going to put it over without a protest from the Senator from North Dakota, they do not know the Senator from North Dakota. That is all there is to that.

Let us consider some of the testimony which was offered. Take the testimony of Mr. William Doherty, the man who is at the head of an organization of some 90,000 letter carriers. Of course, Senators have not read it. Not a single Senator who signed his name to the so-called substitute ever talked with him. They

do not know what he stands for. Mr. Doherty's testimony is very clear and explicit. He says that he is not in favor of the executive pay bill giving increases to men receiving \$10,000 or more, unless those in the lower brackets are included. They are very reasonable in their requests.

I shall not take the time of the Senate tonight to read the testimony for 2 or 3 hours. I offered to vote tomorrow at 2:30, with the expectation that the Senate would take a recess and reconvene at noon tomorrow, each side to take an hour or an hour and a quarter to present its arguments.

The distinguished Senator from Vermont [Mr. FLANDERS] has explained the bill as well as it can be explained. I am against the bill. I voted against it in committee. The reason I am against it is that I made a motion to try to include those in the lower brackets in the same bill. One distinguished Senator asked this afternoon, "Why did we vote yesterday to increase military pay, all by itself?" The Senator from Vermont could not explain it. I cannot explain it either. I do not know why the proposals for pay increases were placed in four or five bills, when they all relate to the same subject matter. However, military pay was considered in a separate bill. Now we have before us the bill to increase salaries in the executive departments for those receiving \$10,000 or more. They are treated separately. They are sacrosanct. They are the big fellows. Why should not the poor man who is receiving only \$200 or \$300 a month be considered in the same bill along with all the others?

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. LONG. Is it not true that since the war the average postal worker has received an increase of 64 percent, while most of those covered by the pending bill have not received an increase in pay for two decades, or since 1924? The purchasing power of their salaries is no only about half what it was when Congress established their salaries, back in 1925.

Mr. LANGER. It is also true, I will say to the Senator from Louisiana, that the Democratic Party, in its platform at Philadelphia, said that the Eightieth Congress was the worst in all history. It was so stated by the President. It was called the very worst Congress in history. Yet that very worst Congress did more for Federal employees in general and for postal employees in particular than any Congress has ever done. We raised the salaries of postal employees by \$450. The Republican Party raised them by \$330, but the Democrats in their campaign, said, "That is nothing. It is insignificant, and does not amount to anything." So the people, trusting the Democratic Party, elected a majority of them to the House and the Senate. After a long and extended hearing, what did the Democratic Party bring forth? An increase of \$100. The Republican Party did four and a half times as well as did the Democratic Party. Not only that, but I say to my distinguished friend, the Senator from Louisiana, that Mr. Truman came out in the campaign

opposed to any kind of a pay bill at all. That is the record of the Democratic Party, in its treatment of Federal employees and it is a disgraceful record.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. LONG. Is it not true that the Eightieth Congress—of course I was not in the Senate then—increased salaries and cut taxes, all at the same time; but now the Republicans expect the Democratic Congress to balance the budget?

Mr. LANGER. Mr. President, let me say to my distinguished friend that the Republican Party lowered taxes; it took 7,000,000 of the very poorest people in the United States off the tax rolls.

Mr. LONG. It took a great many of the well-to-do taxpayers off the tax rolls, too; did it not?

Mr. LANGER. Mr. President, when it comes to the well-to-do ones, what did the Republican Party do? It took off the tax rolls just enough to keep the country sufficiently prosperous to pay the debt which the previous administration, the Democratic Party administration, in the past had piled on the backs of the taxpayers of the country. That is the record.

Mr. LONG. And raised salaries, all at the same time?

Mr. LANGER. Of course, we raised salaries, because some of the Government workers were so poor, they were being paid so little, that they had not had enough to eat under the Democratic administration; they were starving to death. So we had to give them enough salary so that they could keep body and soul together. If the Senator from Louisiana does not believe that, let him refer to the record; in fact, I will read it to him, if he wishes. The record shows, for instance, that a number of witnesses came before our committee and said they had not gotten butter more than once a month, and they had not had any meat at all, that they tried to live on the stuff that is called hamburger in this section of the country. Under the Democratic administration many people selling hamburger put sawdust in it, to try to make it stick together. But in the part of the country from which I come, in North Dakota, where people get good beef, when they make a sandwich and use real beef, a sandwich of that sort can be picked up and handled, and it will not fall apart. But the stuff that is sold for hamburger in the part of the country around Washington is like soup; it cannot be handled with a fork, but a spoon must be used.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. AIKEN. The Senator from North Dakota will not forget, I am sure, that at the Department of Agriculture cafeteria, the employees found they were being served lard colored yellow to look like butter.

Mr. LANGER. Yes; all that testimony is in the record. If the distinguished Senator from Louisiana will read the record, he will find that hundreds of witnesses testified in that connection, and he will be shocked to read the testimony of people who had to take more sick leave than they were normally



given, because—and I say this in all sincerity—they were not earning enough money to be able to keep body and soul together. All that testimony is in the record.

For instance, let the Senator read in the record the testimony of a considerable number of witnesses with fine war records. The Senator from Louisiana has had a fine record himself. How could we ask a veteran who fought at Okinawa and now is attempting to make a living for himself and his wife and child to get along with a meager salary of \$1,950? In the record there is the testimony of many Government employees who have worked under such conditions—hundreds upon hundreds upon hundreds of them.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LONG. I am certain that the Congress was right in raising Post Office salaries; but I point out that in last session of the Eightieth Congress, as I understand the situation, Congress increased all post-office salaries, but made no arrangements to obtain more revenues in the Post Office Department, so now we find that, as a result of the action of the Eightieth Congress, the Post Office Department has the greatest deficit in all its history—in fact, a deficit of \$500,000,000, which we are trying to work out now.

Mr. LANGER. Mr. President, I say to my distinguished friend the Senator from Louisiana that he simply has not read the laws enacted by the Eightieth Congress. On the very last night of the session, when we passed this law, the distinguished Senator from Vermont—I am sure he will substantiate this statement—was chairman of the subcommittee which met with the House conferees; and before we passed a bill giving even a nickel increase in the salaries, we passed a revenue bill raising more revenue, so that every single penny of the pay increase was obtained by increased revenues in that way. That is the record of the Republican Party.

Much as I may disagree in the case of certain issues which come before us, when it comes to the matter of post office clerks and post office employees, we not only did that but we had the help of one of the great and honorable Members of the Senate of the United States, the Honorable KENNETH MCKELLAR, the dean of the Senate, who voted with us and helped us and gave us the benefit of his advice time and time again. As a matter of fact, the committee was nonpartisan. We did not let politics enter into our considerations. But if the Republican Party is going to be blamed for everything that is bad about the Eightieth Congress, then this is one place where the Republican Party should be given credit for what it did.

Mr. LONG. Mr. President, if the Senator says that sufficient additional revenue was raised to pay the increases granted in salaries, I should like to ask how it is that today there is a \$500,000,000 deficit in the Post Office Department, the greatest deficit in the history of the Post Office Department?

Mr. LANGER. The answer is the simplest thing in the world: Today there are a great many incompetent Democrats in charge of governmental affairs. That is the answer. [Laughter.]

All over the country the same thing is occurring, in Indiana just as in Illinois, and just as in practically every other State. If there is a good ward politician, he is made postmaster. That has happened in Indiana. In another State, for instance, a bartender was appointed to the post office, although he knew nothing about running the post office, except that once in a while he had gone to the post office to purchase stamps, and he knew that the ordinary stamps cost 3 cents a piece. That is a typical case of what has resulted in the case of many of the recent appointments.

The committee conducted an investigation of the situation in the Post Office Department. I am sorry the distinguished Senator from Louisiana was not here at that time. The Senate set aside \$35,000 for a Post Office investigation. A committee was sent out to conduct the investigation, and it organized and had a staff, and investigated the situation in many parts of the United States, north, south, east, and west. What did we find? In Vermont we found this situation: In a town in Vermont an examination for postmaster was called. It happened that only three Republicans qualified; no Democrat qualified. The result was that, very promptly, another examination was given. Again only three Republicans qualified. Therefore, a third examination was given. When it was found that one Democrat had passed that examination, he was appointed postmaster. [Laughter.] My distinguished friend, the Senator from Vermont [Mr. FLANDERS] brought that matter to our attention.

Mr. LONG. Mr. President, is it not true that usually it is the ranking Republican member of the committee who moves that the postmaster nominations be confirmed, practically every time the Senate meets? Why does he move to have the nominations of all these incompetent Democrats confirmed, if the case is as he has just stated it?

Mr. LANGER. Let me say that the Senate committee could not reject any postmaster who is appointed, for postmasters are nominated by the President. The committee cannot reject them. We can hold up confirmation temporarily, but what happens then? The Senator from Michigan knows what happened in his State when we held up confirmations of postmasters: The persons who have been nominated are immediately appointed to serve as acting postmasters, and as acting postmasters, they draw the same salary they would draw as the regular postmaster. We tried to do something there, but that was the result with which we were confronted.

Mr. President, I ask the Senator from Louisiana please not to misunderstand me. There are a great many fine post-office employees, both Republicans and Democrats. So I do not wish to be misunderstood; I am not assaulting the Post Office Department from that point of view.

One of the explanations for the Post Office deficit is that many large publications, such as Time, Fortune, Life, and some of the others, cause a deficit each year of approximately \$9,000,000, as the Senator from Louisiana knows, and the taxpayers of the United States have to put up that money, for magazines which in some cases charge as much as \$5,000 or, in some cases, as much as \$20,000 for a page of advertising. That situation is utter nonsense, Mr. President. We tried to report a bill calling for a change in that situation, but we were not able to get anywhere. The distinguished Senator from Louisiana has been trying to have a change made in that situation, but he has not gotten any further than I got 2 years ago. It seems that when some beautiful pictures of some distinguished men, usually Senators, are printed on the front covers of certain of those magazines, those great men become a little bit partial, possibly. [Laughter.] I do not make that as an allegation, but perhaps as a suggestion. Perhaps they become a little partial. One distinguished man had his picture published on the front cover of all those magazines and some of them published it twice.

And that is not all. When the Marshall plan was drawn up, \$15,000,000 was proposed to be set aside in order to help out the newspapers and various magazines, such as Newsweek and some of the other publications I have mentioned. When some Senators objected to having that done, the plan was broadened to include the radio and one or two other things. When the objection continued, the proposal was finally reduced to \$10,000,000. So the United States sent \$10,000,000 of the United States taxpayers' money abroad for the benefit of those magazines, which already have a subsidy of \$9,000,000 a year, so far as paying their own expenses is concerned.

As I have said, I do not propose to take very much of the time of the Senate. I do wish to call to the attention of the Senate the fact that, for example, Paul Castiglione, legislative representative of the National Federation of Post Office Motor Vehicle Employees, appeared before our committee and showed the sort of starvation wages many of the post office employees were being paid. For instance, in Los Angeles, where the population is increasing at the rate of approximately 125,000 a month, the situation in the case of the post office employees is desperate. Some of the letter carriers testified that they now carry twice as much mail as they formerly carried. Of course, it is necessary to put on additional men. A Senator will rise on the floor and say we are increasing the number of Federal employees. Of course their number is being increased, when the population of the city is increasing at the rate of 125,000 a month. During the drought, the State of Kansas lost over 100,000 population. The State of South Dakota lost about 120,000 population, and the State of North Dakota a little more than that. In all States there has been a tendency for men to gravitate to the cities. When 15 or 20 families are taken off a rural free delivery route, it is necessary to keep the mail route run-



ning anyway. The expenses cannot be cut down. It is still necessary to keep the mail going. Senators know the trend has been for farmers to leave the farms and move into the cities.

I take the attitude which was taken by my friend, the distinguished Senator from Tennessee [Mr. McKellar]. He was formerly chairman of the committee having charge of the public roads. I know of the fine work the distinguished Senator has done. Yet a few weeks ago he was called a demagogue by one of the magazines which is receiving a part of the \$10,000,000 ECA fund. The statement was made that he was a demagogue, one of the worst Senators in the United States. Yet, Mr. President, it was the Senator from Tennessee [Mr. McKellar] who, under President Wilson, got us the public roads system in the United States. He got the first appropriation, which, as I remember now, consisted of \$26,000,000, and for the first time in the history of the United States we found the Federal Government sending money into the various States for public roads. So I say I have had the help of this distinguished Senator from Tennessee in my work. I had it all the time I was chairman. He was the ranking Democratic member of the committee.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. WATKINS. Was the Senator reading from the substitute amendment the names of reactionaries?

Mr. LANGER. I did not say they were all reactionaries.

Mr. WATKINS. Did the Senator include the name of the Senator from Tennessee? I thought he did.

Mr. LANGER. No, I did not say he was a reactionary. I said he was a southern Democrat—a Dixiecrat.

Mr. WATKINS. I want to be sure the Senator did not put the Senator in the reactionary class—with me, for instance.

Mr. LANGER. The Senator knows that I know him so well—in some ways the Senator from Utah is very, very liberal; in other ways he is not so liberal. [Laughter.] In any event, I like him.

Mr. WATKINS. I wanted to be sure just where the Senator placed the Senator from Tennessee, whether he was a reactionary, and whether the Senator was talking about this great man or someone else. I wanted to be sure about it.

Mr. LANGER. My distinguished friend from Tennessee is one of the fathers of the TVA—one of the real fathers of it—one of the men who helped promote it, from its inception until now. He has been misrepresented in the press. One gets the impression from reading the newspapers that the Senator from Tennessee was opposed to TVA. As a matter of fact, he worked for it. He organized it and did everything he could to promote TVA legislation. I ask the Senator from Tennessee, is not that correct? Did not the Senator do everything he could for it? I yield to the Senator from Tennessee.

Mr. McKellar. I thank the Senator for the kind things he has said, and I

am very happy to say I have always been a staunch friend of TVA. I got every dollar of the money through the Committee on Appropriations for that great undertaking. I thank the Senator.

Mr. LANGER. I am glad to have that statement from the distinguished Senator. I would not for the world have anyone believe that all those who sponsor the substitute amendment are reactionaries. I would not do that, because there are too many of them, to begin with. I simply say they are a part of a coalition of southern Democrats and so-called conservative Republicans, organized to obtain control of the Senate, to take control away from the President of the United States and from the majority leader. I think perhaps that is expressing it in a much better way. I do not think anyone will deny this. Perhaps they are justified; perhaps they are not. That is up to them. It is a matter for the individual conscience of each of the Senators. Each one decides for himself, just as we decide on our votes.

In any event, I simply want to say in conclusion that by adopting the substitute we shall be setting a bad example. If the substitute is adopted, it means that the Senator from Nevada [Mr. McCarran] and the Judiciary Committee are going to be very much weakened when the question comes up of discharging the committee.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. WHERRY. Inasmuch as the Senator has just made the observation about the discharge of the committee, I should like to make it indelibly clear that as one of the sponsors of the substitute I did not permit my name to be added on the theory that my vote or my opinion about the substitute involved a discharge of the committee. I think the distinguished Senator will agree with me that in all my experience in the Senate I have been reluctant to discharge a committee. I do not know that I have ever voted to discharge a committee. I might have, but I cannot call it to mind at the moment. The work which had been done by the committee was brought to my attention. I understood that the reductions which were made in the substitute were largely on a basis paralleling the committee work. I felt that I, as a Senator, had a perfect right to vote to make a revision in the schedules contained in the bill on that basis. That is why I became one of the sponsors of the amendment.

I make that statement for the reason that the distinguished Senator has mentioned a resolution which has heretofore been offered to discharge the Judiciary Committee, of which the Senator from Nevada [Mr. McCarran] is chairman, in connection with the displaced persons bill. I shall judge it on its merits. When the vote comes on the Johnson amendment, I am going to judge it on its merits, and it will not be with the idea in mind that I am casting a vote to discharge the committee from further consideration of the bill.

Mr. LANGER. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment

offered by the Senator from Colorado. [Putting the question.]

Mr. FLANDERS. Mr. President, I ask for the yeas and nays.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Holland	Malone
Anderson	Humphrey	Maybank
Bridges	Ives	Mundt
Butler	Johnson, Tex.	Myers
Byrd	Johnston, S. C.	Neely
Chapman	Kem	O'Mahoney
Cordon	Kerr	Pepper
Donnell	Kilgore	Russell
Douglas	Knowland	Saltonstall
Eaton	Langer	Schoeppel
Ferguson	Leahy	Sparkman
Flanders	Long	Taylor
Frear	Lucas	Thye
Fulbright	McClellan	Watkins
Green	McFarland	Wherry
Hayden	McKellar	Williams
Hickenlooper	McMahon	Young
Hill	Magnuson	

The PRESIDING OFFICER (Mr. MAYBANK in the chair). A quorum is present.

Mr. LUCAS. Mr. President, before a vote is taken on the Johnson substitute I should like to make a brief statement with respect to night sessions. It may be that we may have other night sessions before adjournment of the first session of the Eighty-first Congress. When we have night sessions, and it is announced that we shall have them, those who are in charge of the restaurant should be able to have sufficient waiters to serve Senators. It is my understanding that the management did not have waiters in the restaurant tonight to serve Senators when they went into the restaurant for dinner. I hope the chairman of the Committee on Rules and Administration will make some investigation as to what went on in the restaurant tonight. If the management of the restaurant cannot arrange to serve Senators who desire to stay for a night session and eat dinner in the restaurant, then we had better get a new management. That is all I have to say about that subject.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I am a member of the Committee on Rules and Administration. The Senator from Arizona [Mr. Hayden], the chairman of the committee, is not present. In my capacity as a minority member of that committee I will say that I believe that if sufficient notice of a night session can be given the restaurant management and the employees, we will not experience the difficulty which was experienced tonight, of the help having left, and a night session being held thereafter. I am not criticizing anyone.

Mr. LUCAS. I will say that I gave sufficient notice.

Mr. WHERRY. There is plenty of help in the Senate restaurant. Personally, I think those in charge and those working in the restaurant have done good work. If the majority leader gives ample notice of a night session I am satisfied that the restaurant will give Senators proper service.

Mr. LUCAS. I do not know what more notice could be given than I gave this



afternoon. The notice given by me I believe was sufficient to enable those who have such matters in charge to notify the restaurant management, which as I understand is something which is always done when we are to have a night session. I think Senators should be served properly in the restaurant when we have a night session.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. As I understand, the substitute offered by the Senator from Colorado [Mr. JOHNSON] is the pending question.

The PRESIDING OFFICER. The Senator is correct.

Mr. LUCAS. So far as I am concerned, Mr. President, I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute for the committee amendment, offered by the Senator from Colorado [Mr. JOHNSON], for himself and other Senators.

Mr. LONG and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I shall detain the Senate for only 1 minute. The amendment in the nature of a substitute was offered as a compromise. It was offered by Senators, many of whom would have been opposed to any raise in pay whatsoever had the amount recommended by the committee been the only alternative. As chairman of the subcommittee, I personally was willing to accept the substitute, because I felt that failure to reduce to some extent the schedule carried in the committee bill would probably result in no pay bill for top officials being passed during the present session. It may be that the bill would be recommended, as my friend the Senator from North Dakota [Mr. LANGER] feared, or it may be that the bill would be defeated. In either event, I thought we would be in a better position by having the top officials' bill trimmed down slightly than by having no bill whatever for top officials. Therefore, I personally agreed to the substitute.

Mr. McFARLAND. Mr. President, on behalf of the sponsors of the substitute, I thank the junior Senator from Louisiana [Mr. LONG] for his attitude and his remarks. Senators who are really interested in helping those in the executive departments will certainly vote for the substitute.

Mr. CORDON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CORDON. If the substitute be adopted at this time, does the unanimous consent agreement under which it now comes up out of order provide that it may thereafter be perfected or amended?

The PRESIDING OFFICER. The Senator is correct.

Mr. CORDON. It would simply be substituted for the committee amendment, and stand in the same position as the committee amendment itself?

The PRESIDING OFFICER. The Senator is correct.

Mr. CORDON. Mr. President, may I make an inquiry of the distinguished junior Senator from Arizona [Mr. McFARLAND] in connection with the submission of the substitute for the committee amendment? Is there at this time any agreement between the sponsors of the substitute and the committee, or the chairman—

The PRESIDING OFFICER. The Chair will say to the Senator from Oregon that is not a parliamentary inquiry.

Mr. CORDON. I am not now addressing the Chair. I am addressing the junior Senator from Arizona.

Is there any agreement at this time that Senators who are for the amendment will resist any amendments to the substitute amendment?

Mr. McFARLAND. Certainly, I would feel duty bound to resist such amendments if they propose increasing salaries above the limits therein set.

Mr. CORDON. I have in mind an amendment for the addition of another agency to the list set out in the substitute. I understand that the junior Senator from Arizona is not required to answer my question. I ask him whether there is any agreement by which those who are in accord on the substitute will resist any change in the list of agencies in the substitute.

Mr. McFARLAND. There is no agreement. I have not talked with the cosponsors in regard to that matter. I can speak only for myself. There is no agreement, if that is what the Senator wishes to know.

Mr. CORDON. I thank the Senator.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

Mr. AIKEN. Mr. President, will the Chair state the question?

The PRESIDING OFFICER. The question is on agreeing to the so-called Johnson substitute for the committee amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AIKEN (when his name was called). On this vote I have a pair with the Senator from New Hampshire [Mr. TOBEY]. If present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. O'CONOR], the Senator from Virginia [Mr. ROBERTSON], the Senator from Mississippi [Mr. STENNIS], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Ken-

tucky [Mr. WITHERS] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

The Senator from North Carolina [Mr. HOEY] is absent on public business.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. McCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

On this vote, the Senator from Mississippi, who would vote "yea" if present, is paired with the Senator from California [Mr. DOWNEY], who would vote "nay" if present.

On this vote, the Senator from Colorado [Mr. JOHNSON], who would vote "yea" if present, is paired with the Senator from Utah [Mr. THOMAS], who would vote "nay" if present.

On this vote, the Senator from Georgia [Mr. GEORGE], who would vote "yea" if present, is paired with the Senator from Maryland [Mr. O'CONOR], who would vote "nay" if present.

I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. HOEY], the Senator from Montana [Mr. MURRAY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. WITHERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], the Senator from New York [Mr. DULLES], the Senator from Massachusetts [Mr. LODGE], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate. If present and voting, the Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], and the Senator from Pennsylvania [Mr. MARTIN] would each vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The Senator from Ohio [Mr. TAFT] who is necessarily absent is paired with the Senator from Oregon [Mr. MORSE] who is also necessarily absent. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Oregon would vote "nay."

The senior Senator from Indiana [Mr. CAPEHART] and the junior Senator from Indiana [Mr. JENNER] are absent on official business. If present and voting, the junior Senator from Indiana [Mr. JENNER] would vote "yea."

The Senator from New Jersey [Mr. HENDRICKSON], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Wisconsin [Mr. WILEY] are detained on official business. If present



and voting, the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Wisconsin [Mr. WILEY] would each vote "yea."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business, and his pair has been announced by the Senator from Vermont [Mr. AIKEN].

The Senator from Wisconsin [Mr. MCCARTHY], the Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from Maine [Mrs. SMITH] are necessarily absent. If present and voting, the Senator from Wisconsin [Mr. MCCARTHY], the Senator from South Dakota [Mr. GURNEY], and the Senator from Maine [Mrs. SMITH] would each vote "yea."

The result was announced—yeas 36, nays 16, as follows:

## YEAS—36

Anderson	Hickenlooper	Magnuson
Bridges	Hill	Malone
Butler	Holland	Maybank
Byrd	Ives	Mundt
Chapman	Johnston, S. C.	O'Mahoney
Cordon	Kem	Russell
Donnell	Kerr	Saltonstall
Ecton	Kilgore	Schoeppel
Ferguson	Long	Sparkman
Frear	McClellan	Watkins
Fulbright	McFarland	Wherry
Hayden	McKellar	Williams

## NAYS—16

Douglas	Langer	Pepper
Flanders	Leahy	Taylor
Green	Lucas	Thye
Humphrey	McMahon	Young
Johnson, Tex.	Myers	
Knowland	Neely	

## NOT VOTING—44

Aiken	Gurney	O'Connor
Baldwin	Hendrickson	Reed
Brewster	Hoey	Robertson
Bricker	Hunt	Smith, Maine
Cain	Jenner	Smith, N. J.
Capehart	Johnson, Colo.	Stennis
Chavez	Kefauver	Taft
Connally	Lodge	Thomas, Okla.
Downey	McCarran	Thomas, Utah
Dulles	McCarthy	Tobey
Eastland	Martin	Tydings
Ellender	Miller	Vandenberg
George	Millikin	Wiley
Gillette	Morse	Withers
Graham	Murray	

So the amendment in the nature of a substitute for the committee amendment, offered by Mr. JOHNSON of Colorado, for himself and other Senators, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, on behalf of the Senator from Washington [Mr. CAIN] and myself I offer to the Johnson substitute the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out section 7 of the Johnson substitute and insert in lieu thereof the following:

This act shall take effect on the date on which the President declares that it is expected, on the basis of estimated revenues and expenditures, that the revenues of the Federal Government for the fiscal year in which such proclamation is made will equal or exceed its expenditures for such fiscal year.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] on behalf of himself and the Senator from Washington [Mr. CAIN] to the so-called Johnson substitute.

Mr. WILLIAMS. I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. LUCAS. Mr. President, does the Senator intend to explain the amendment?

Mr. WILLIAMS. Oh, yes.

Mr. WHERRY. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. WILLIAMS. Mr. President, this amendment merely proposes to do exactly what it states, namely, strike out the effective date of the bill, as it now appears in the substitute, and make the bill, if enacted, effective on the day when the President says that, based upon the estimated revenues and estimated expenditures, the budget of the United States for that fiscal year will be in balance.

We have heard a great deal said about the desire to balance the budget. I do not know of a Member of the Senate who has not stood upon the floor of the Senate and made eloquent speeches in favor of a balanced budget. In this connection let me say that we are not necessarily speaking of a million and a quarter dollars of additional expenditure for salaries, for this bill if enacted will establish a policy in regard to wages paid in the Government service; and if the bill is passed, it is inconceivable that Senators will not vote to pass all other bills proposing increases in Government salaries. Everyone knows that to be true. There are now on the calendar and ready for action measures which the majority leader will move to have taken up immediately after the pending measure is acted upon, four or five other pay-increase bills, calling for the expenditure of around \$300,000,000 for salary increases. Furthermore, there are 26 agencies of the Federal Government for which no salary increases are at present provided or called for. They are listed in section 202 of Senate bill 2379. I now ask unanimous consent to have section 202 of that bill printed at this point in the RECORD, so as to show the list of the 26 agencies of the Government for which no salary increases are presently proposed, all of which will be applying for similar salary increases.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

SEC. 202. This act shall not apply to—

(1) the field service of the Post Office Department, for which the salary rates are fixed by Public Law 134, Seventy-ninth Congress, approved July 6, 1945, as amended and supplemented;

(2) the Foreign Service of the United States under the Department of State, for which the salary rates are fixed by the Foreign Service Act of 1946, as supplemented by Public Law 160, Eighty-first Congress, approved July 6, 1949;

(3) physicians, dentists, nurses, and other employees in the Department of Medicine and Surgery in the Veterans' Administration,

whose compensation is fixed under Public Law 293, Seventy-ninth Congress, approved January 3, 1946;

(4) teachers, school officers and employees of the Board of Education of the District of Columbia, whose compensation is fixed under the District of Columbia Teachers' Salary Act of 1947, as supplemented by Public Law 151, Eighty-first Congress, approved June 30, 1949;

(5) officers and members of the Metropolitan Police, the Fire Department of the District of Columbia, the United States Park Police, and the White House Police;

(6) lighthouse keepers and civilian employees on lightships and vessels of the Coast Guard, whose compensation is fixed under Public Law 143, Eighty-first Congress, approved June 29, 1949;

(7) positions and employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations (except such employees in positions to which the Classification Act of 1923, as amended, now applies, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aides to scientists or engineers), and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting or other verification of the product of manual or machine operations;

(8) officers and members of crews of vessels, whose compensation shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates and practices in the maritime industry;

(9) employees of the Government Printing Office whose compensation is fixed under Public, No. 276, Sixty-eighth Congress, approved June 7, 1924;

(10) civilian professors, lecturers, and instructors at the Naval War College and the Naval Academy whose compensation is fixed under Public Law 604, Seventy-ninth Congress; senior professors, professors, associate and assistant professors, and instructors at the Naval Postgraduate School whose compensation is fixed under Public Law 303, Eightieth Congress; and the Academic Dean of the Postgraduate School of the Naval Academy whose compensation is fixed under Public Law 402, Seventy-ninth Congress;

(11) aliens or persons not citizens of the United States who occupy positions outside the several States and the District of Columbia;

(12) the Tennessee Valley Authority;

(13) the Inland Waterways Corporation;

(14) the Alaska Railroad;

(15) the Virgin Islands Corporation;

(16) the Central Intelligence Agency;

(17) employees who serve without compensation or at nominal rates of compensation;

(18) employees none or only part of whose compensation is paid from appropriated funds of the United States: *Provided*, That with respect to the Veterans' Canteen Service in the Veterans' Administration, the provisions of this paragraph shall be applicable only to those positions which are exempt from the Classification Act of 1923, as amended, pursuant to Public Law 636, Seventy-ninth Congress, approved August 7, 1946, as amended;

(19) employees whose compensation is fixed under a cooperative agreement between the United States and (A) a State, Territory, or possession of the United States, or political subdivision thereof, or (B) a person or organization outside the service of the Federal Government;



(20) student nurses, medical or dental interns, residents-in-training, student dietitians, student physical therapists, student occupational therapists, and other student employees, assigned or attached to a hospital, clinic, or laboratory primarily for training purposes, whose compensation is fixed under Public Law 330, Eightieth Congress, approved August 4, 1947, or section 14 (b) of Public Law 293, Seventy-ninth Congress, approved January 3, 1946, as amended by Public Law 722, Eightieth Congress, approved June 19, 1948;

(21) inmates, patients, or beneficiaries receiving care or treatment or living in Government agencies or institutions;

(22) experts or consultants, when employed temporarily or intermittently in accordance with section 15 of Public Law 600, Seventy-ninth Congress, approved August 2, 1946;

(23) emergency or seasonal employees occupying positions of uncertain or purely temporary duration, or who are employed for brief periods at intervals;

(24) persons employed on a fee, contract, or piecework basis;

(25) persons who may lawfully perform their duties concurrently with their private profession, business, or other employment, and whose duties require only a portion of their time, where it is impracticable to ascertain or anticipate the proportion of time devoted to the service of the Federal Government;

(26) positions for which rates of basic compensation are individually fixed, or expressly authorized to be fixed, by any other law, at or in excess of the regular maximum rate of the highest grade established by this act.

Mr. WILLIAMS. Mr. President, whatever action we take in respect to granting salary increases for Government employees in connection with the pending measure will be used as an argument for the salaries of Government employees all the way down the line. We cannot increase the salaries of the top Government employees unless we increase the salaries of all Government employees.

I wish to point out that during the past 20 years there has seldom been a time when the Government's budget has been balanced; since 1930 there have been only 2 years when the budget has been balanced. It is out of balance now. Since 1914, the Government's budget has been balanced only 12 times, and I may say that all those 12 times occurred when the Republican Party was in control of the Congress or in control of the executive departments.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield.

Mr. LONG. Based on the statement the Senator has just made, I take it that the Senator from Delaware means to say, by his amendment, that the proposed increase in salaries will go into effect when the Republican Party takes over again. Is that correct?

Mr. WILLIAMS. I hope we shall not have to wait that long before we can balance the budget. [Laughter.] However, if past performance of the Democratic Party is any indication in regard to the time that will be required, what the Senator from Louisiana has suggested might very well prove to be the case.

Mr. President, the Government of the United States is unquestionably the larg-

est corporation in the world. It employs 2,000,000 persons. Whatever action the Senate takes on this measure will to a great extent determine the action to be taken in reference to the proposed fourth round of wage increases.

Recently, when a steel strike was threatened, the President appointed a fact-finding board to determine whether wages in the steel industry should be increased. I wish to read to the Senate some of the recommendations of that board, and to state some of the reasons it gave for turning down the requested salary increases.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield, although I should like to have a vote on this amendment reached very quickly.

Mr. KILGORE. I noted the Senator's statement that the United States Government is the largest corporation in the world. I wonder how the salaries paid to our Government officials compare with the salaries paid by the du Pont Corp. and various other corporations.

Mr. WILLIAMS. I say to the Senator from West Virginia that the salaries of the employees of the United States Government are a thousand times higher than the salaries paid by the du Pont Corp., if we take into consideration the difference between deficit of the United States Government and the way the United States Government operates, as compared to the earning power of the du Pont Corp. and the way that corporation operates.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WATKINS. Is the du Pont Corp. in the red, and has it been running in the red for years?

Mr. WILLIAMS. If that were true, I do not think that corporation would be advocating a salary increase at the present time.

Mr. President, the fact-finding board appointed by the President said:

(1) While the Board's findings and recommendations are based on the facts and figures of the steel industry alone, there is a probability that a wage-rate increase in steel would be urged as a pattern to be followed in other industries; this in turn might well cause price dislocations, with adverse effects on the general economy and on the steel industry itself.

It went on to say that—

(3) While there may be conditions in particular industries which require correction through wage-rate adjustments, in general it seems desirable at this time to stabilize the level of wage rates. In the steel industry we have not found such conditions or inequities and, for all the reasons stated, do not believe there should be a wage-rate adjustment now.

In other words, the fact-finding board bases its recommendations primarily on the fact that it does not wish to touch off a fourth round of wage increases, which is exactly what we, as the largest employer in the United States, tonight are proposing to do here in the Senate.

As I have said before, all Members of the Senate have advocated a balanced budget. That recommendation is to be

found in all political party platforms. I wish to read, in case it has been forgotten, a portion of the Democratic Party's platform in reference to a balanced budget. I shall read first that part of the Democratic Party platform in 1932, when it took over the Federal Government, at a time when the expenses of the Government were about \$4,500,000,000. Here is the quotation from the Democratic Party's platform at that time:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government, and we call upon the Democratic Party in the States to make a zealous effort to achieve proportionate result.

Mr. President, I may assume that this amendment also has the endorsement of the President of the United States, Mr. Harry Truman, because he appeared before a joint session of the Congress recently and made this statement:

One of the most important factors in maintaining prosperity is the Government's fiscal policy. At this time, it is essential not only that the Federal budget be balanced, but also that there be a substantial surplus to reduce inflationary pressures, and permit a sizable reduction in the national debt, which now stands at \$252,000,000,000.

Surely he must have meant what he said.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MUNDT. I think the Senator from Delaware has a very intriguing and worth-while amendment. In looking over the list of those for whom salary increases are proposed, I notice that it includes the Director of the Budget, the Assistant Director of the Budget, many of the Treasury Department officials, and virtually all the persons who compile the recommendations which are sent to Congress in regard to proposed expenditures. It seems to me that if we make the proposed salary increases contingent upon the achievement of a balanced budget, that might be a very logical inducement for those persons to recommend intake and outgo which would bring the budget into balance.

Mr. WILLIAMS. That is the purpose of my amendment, Mr. President. It would act as an incentive.

The PRESIDING OFFICER. Does the Senator from Delaware yield for a question, or does he yield the floor? The Senator from Delaware has the floor.

Mr. MUNDT. Mr. President, I asked a question.

Mr. WILLIAMS. I am interested in answering the question.

The PRESIDING OFFICER. The Chair did not understand it to be a question.

Mr. McCLELLAN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Delaware yield the floor?

Mr. WILLIAMS. No, Mr. President, the Senator from Delaware does not yield the floor. I should like to answer the question, if the Chair will permit.



The PRESIDING OFFICER. Does the Senator from Delaware yield for a question?

Mr. WILLIAMS. I yield.

Mr. MUNDT. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield.

Mr. MUNDT. My question is whether the Senator from Delaware agrees with the deductions I just spoke into the RECORD.

Mr. WILLIAMS. Yes, I agree with them, and I may say the Director of the Bureau of the Budget, the Postmaster General, and several other heads of departments who are recommended for salary increases have all recommended against the increases contained in some of the other pay bills. The President himself recommended against it, in the beginning.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. And there is nothing in the record that I have seen, and nothing in the committee report—

The PRESIDING OFFICER. Does the Senator yield?

Mr. WILLIAMS. I shall yield in a minute. There is nothing in the report that indicates that the Director of the Bureau of the Budget has approved the other bills. I yield to the Senator from South Dakota for a question.

Mr. MUNDT. In other words, does the Senator from Delaware feel that if the matter should be handled in the way he proposes, it would serve to give salary increases as a sort of incentive for efficient service and would promote efficiency and economy in the Government?

Mr. WILLIAMS. I do. We, as Members of the Congress, and as directors of this great corporation, face a situation in which the budget has gone out of balance. It is in the red, and we seem absolutely unable to balance it. Every time we have tried to cut an appropriation of any department we have had the experience of that department propagandizing all over the country against our attempt to reduce expenditures. This amendment would put them in such a position that if they continued their propaganda they would be at the same time lobbying against their own salary increase.

Mr. MUNDT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from South Dakota?

Mr. WILLIAMS. I yield.

Mr. MUNDT. Is it not true that the handling of the increases in salary in the fashion the Senator from Delaware has in mind would bring it into direct conformity with the reports and recommendations of the Hoover Commission, which, as I understand, has not only advocated increases in salary, but also a balancing of the budget?

Mr. WILLIAMS. It would, and I may say if the amendment is adopted, I am going to support the salary increases, because I think it is a wonderful thing to put this incentive plan before the 2,000,000 Government employees, whereby, instead of working against a balanced budget, each of them would be

working for it. It would promote greater efficiency in the Government.

Mr. MUNDT. I am glad to join with the Senator with respect to the amendment.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. McCLELLAN. I understood the Senator from Delaware to quote the President of the United States on some particular matter.

Mr. WILLIAMS. That is correct.

Mr. McCLELLAN. I did not understand the Senator to identify the occasion or the time when the President made the statement. Will the Senator please do so for the RECORD, inserting the time and the circumstances under which the President of the United States made the statement?

Mr. WILLIAMS. I shall be glad to do so. I thought I did it before. The President made the speech, addressing the joint session of the Congress, on January 5, 1949. It is to be found at page 67 of the CONGRESSIONAL RECORD. I shall read the statement, at the Senator's suggestion:

One of the most important factors in maintaining prosperity is the Government's fiscal policy. At this time, it is essential not only that the Federal budget be balanced, but also that there be a substantial surplus to reduce inflationary pressures, and permit a sizable reduction in the national debt, which now stands at \$252,000,000,000.

Mr. WATKINS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Utah?

Mr. WILLIAMS. I yield.

Mr. WATKINS. Did I correctly understand the Senator to say that the Bureau of the Budget has not approved the pending measure?

Mr. WILLIAMS. That is correct on the succeeding bills. That is shown by a statement in one of the reports, which states that the Bureau of the Budget was opposed to the enactment. I was talking with the Post Office Department this afternoon, and they said they were unalterably opposed to the increase in salary of postal employees, until such time as the committee came before the Senate and produced methods of raising the additional revenue to pay for the increases. I commend Mr. Donaldson, the Postmaster General, for that position.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. WILLIAMS. In a moment.

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Mr. WILLIAMS. The Post Office Department is out of balance now. It was out of balance for the fiscal year 1949 about \$551,000,000. In 1950 it estimated it will be out of balance about \$407,000,000. The bill that has passed the House increases its expenditures about \$180,000,000, and the bill on the Senate Calendar increases it \$61,000,000. If either bill passes, there will be a further deficit in the Post Office Department. The Postmaster General's office advised they were opposed to these increases to it, until such time as we increase postal rates to take care of the additional requirements.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FLANDERS. I should like to inquire of the Senator from Delaware what bill he is talking about.

Mr. WILLIAMS. I am speaking about all the salary-increase bills, since I feel that we should consider them as a group.

Mr. FLANDERS. Is the Senator speaking about the bill which is before the Senate at the moment?

Mr. WILLIAMS. As I said in the beginning, the bill which is before us is only one of many pay bills, and that the action which we take on the pending bill should indicate our action on all the bills. I cannot conceive of any Member of the Senate voting for an increase as provided in the pending bill, unless he intends to carry it on through. For that reason I feel that whatever action we take on the pending bills will, in effect, commit us to a policy which calls for over-all increased expenditures of more than \$300,000,000.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FLANDERS. Has the Senator any information to the effect that the Bureau of the Budget is against the bill we are considering tonight.

Mr. WILLIAMS. No, not this particular bill, perhaps because the pending bill carries their increases in salaries. [Laughter.]

But the Bureau of the Budget is against the increases contained in bills in which they are not personally interested.

Mr. FLANDERS. Mr. President, is the Bureau of the Budget against the Reclassification Act?

Mr. WILLIAMS. No.

Mr. FLANDERS. Is not the Bureau of the Budget under the Reclassification Act?

Mr. WILLIAMS. The most of their employees are. But does the Senator mean to tell me that the Bureau of the Budget has endorsed all these pay-raise bills?

Mr. FLANDERS. We have worked in close contact with the Bureau of the Budget on the two bills which are before the Senate, the bill for the top pay, executive pay, and the reclassification bill.

Mr. WILLIAMS. Mr. President, the Bureau of the Budget has not endorsed these other bills, except the bills—

Mr. MYERS, Mr. MUNDT, Mr. FLANDERS, and Mr. WATKINS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Delaware yield; and if so, to whom?

Mr. WILLIAMS. I yield first to the Senator from Pennsylvania.

Mr. MYERS. Does the Senator from Delaware mind mentioning the specific bill which the Bureau of the Budget has opposed or recommended against? Is the Senator referring to the postal-increase bill?

Mr. WILLIAMS. I shall tell the Senator which one I am referring to.

Mr. MYERS. Is the Senator referring to the postal-increase bill?



Mr. WILLIAMS. Just a moment; I shall get the report. I shall read first from the bill, Calendar No. 875, Report No. 871, on page 7 of the report. It is from a letter written by Frank J. Lawton, Acting Director of the Bureau of the Budget. I quote their reference to that particular bill:

In light of these comments, the Bureau of the Budget does not believe that the Congress should give favorable consideration to this bill.

Mr. MYERS. Which bill is that?

Mr. WILLIAMS. It is Senate bill 1772.

Mr. MYERS. I was not referring to the number of the bill, but what is the subject of the bill? Will the Senator mind informing us?

Mr. WILLIAMS. It is a bill (S. 1772) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes.

Mr. MYERS. Is the Senator referring to the bill which was before the House of Representatives yesterday?

Mr. WILLIAMS. No; I am referring to the bill on the Senate Calendar.

Mr. MYERS. Did the Bureau of the Budget recommend against that bill?

Mr. WILLIAMS. They recommended against the bill S. 1772, which is scheduled to come before the Senate as soon as we dispose of the pending bill.

Mr. MYERS. Is it a bill similar to that which was before the House of Representatives yesterday?

Mr. WILLIAMS. I cannot say. I have not seen the bill which was before the House. It has not been printed as yet.

Mr. MYERS. The Senator understands, does he not, that a pay bill was passed by the House of Representatives yesterday.

Mr. WILLIAMS. Oh, yes; and, since the Senator from Pennsylvania has endorsed it, he should be familiar with its contents.

Mr. MYERS. A bill to increase postal salaries, was it not?

Mr. WILLIAMS. Yes.

Mr. MYERS. And I am sure the Senator knows that only two Members out of the entire membership of 435 Representatives of the House voted against the bill.

Mr. WILLIAMS. And there may be but one Member of the Senate who thinks the budget ought to be balanced, but I still feel that it should be balanced, even though the Senator from Pennsylvania does not.

Mr. MYERS. I understand the Senator believes that the executive agencies, and officials of the executive agencies, should not have an increase in salary until the budget is in balance.

Mr. WILLIAMS. Yes. I do not think it will take long to do it if they are really sincere in their expressions to achieve some economy.

Mr. MYERS. How long does the Senator think it might take?

Mr. WILLIAMS. If the Senator from Pennsylvania and his colleagues will assist us in cutting the appropriations, it will be but a very short time.

Mr. MYERS. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield to the Senator from Pennsylvania.

Mr. MYERS. Of course, the Senator knows that I voted against many of those amendments. The Senator knows that the Senate of the United States refused, by a record vote, to reduce the appropriation bills. The Senator knows that, does he not?

Mr. WILLIAMS. I know it, but I supported the cuts; what did you do?

Mr. MYERS. Then why does the Senator seek to punish these men in the executive agencies, when the Senate of the United States itself refused to balance the budget?

Mr. WILLIAMS. Why put it that way?

Mr. MYERS. I put it that way. I think the Senator from Delaware seeks to punish these men in the executive agencies because the Senate of the United States did not have the intestinal fortitude itself to balance the budget. The Senator says that if his amendment shall prevail, he will vote for this bill. But his amendment may not prevail. Congress had the opportunity to balance the budget, but refused to do it. I do not think the Senator is fair in punishing these men in the executive agencies who, he himself says, deserve an increase in salary.

Mr. WILLIAMS. Mr. President, in answer to the Senator from Pennsylvania, I want to repeat that I am not seeking to punish these employees; as I said before, I voted for the budget cuts. If the Senator voted against them because, as he said, he did not have intestinal fortitude to vote for the cuts, that is his excuse; it is not mine.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. MYERS. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield first to the Senator from Vermont, and then I shall yield to the Senator from Pennsylvania.

Mr. FLANDERS. I wonder if the Senator from Delaware would subscribe to this idea which has just come into my mind within the last 5 minutes. I have on the table an amendment which, under the circumstances, I was not preparing to bring up. It is an amendment to raise the salaries of Representatives and Senators. I wonder if the Senator from Delaware would agree with me that it might be well to bring up that amendment and vote on it, provided the Senate and the House balance the budget.

Mr. WILLIAMS. Yes. I do not think that the Members of Congress should have any increase until the budget is balanced. The directors of this great corporation certainly should not expect, when it is so many billions of dollars "in the red," to increase their salaries by borrowing money from the taxpayers. We should either balance the budget now or say that we have no intention of balancing it and stop talking.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MYERS. Does the Senator from Delaware indicate to the Senate that the

Budget Bureau opposed the bill which is now before the Senate?

Mr. WILLIAMS. No.

Mr. MYERS. Why did the Senator mention the Budget Bureau as in opposition to certain of these pay bills?

Mr. WILLIAMS. Whatever action we take on this bill we should be prepared to follow through with respect to the 2,000,000 employees. We are establishing tonight a policy as to whether we want to increase the salaries of those 2,000,000 Federal employees, and I quoted the Budget Bureau as opposed to some of the succeeding increases. Certainly the Senator from Pennsylvania has no intention of just increasing the salaries of just a handful of top executives.

Mr. MYERS. Many of the executives have not received a pay increase for many years, long before there was inflation in this country.

Mr. WILLIAMS. That is true. But all of these bills are related.

Mr. MYERS. The Senator knows that many employees who are now receiving salaries of \$10,000 a year had their salaries fixed in 1925.

Mr. WILLIAMS. Perhaps have not had an increase since that time. But I remind you again except for the past 2 years it has been nearly that long since we operated without a deficit.

The argument has been used that the Hoover Commission recommended these salary increases. That is true. But in another part of the report of the Hoover Commission, which has been almost completely overlooked by the administration, the Hoover Commission reported that by making certain economies we could save \$4,000,000,000. If the administration is sincere—and the Senator from Pennsylvania should know whether it is sincere or is not sincere—in the statement that they are going to put these economies into effect, then the salary increases will go into effect in the very near future because with these economies we can balance the budget.

Mr. MYERS. Will the Senator indicate how soon that \$4,000,000,000 can be saved, as recommended by the Hoover Commission?

Mr. WILLIAMS. If the Senator wants me to do it, I should be glad to sit down with him and discuss it. I suggest first the Senator read the recommendations of the Hoover Commission.

Mr. MYERS. Mr. President, will the Senator yield further?

Mr. WILLIAMS. Yes.

Mr. MYERS. I have read many of the recommendations of the Hoover Commission, but in the Senate of the United States I have found that when a recommendation of the Hoover Commission comes into conflict with a Senator's own interest in his own particular district or State the Hoover Commission recommendations go out the window. Representatives of chambers of commerce, all of whom recommend that we accept the Hoover Commission report in toto, come to Washington with reference to a flood-control project affecting their districts and forget entirely about the Hoover Commission recommendations.



Mr. WILLIAMS. Is the Senator speaking of the Senator from Delaware?

Mr. MYERS. No; not the Senator from Delaware, particularly, but many other Senators. There is before my subcommittee a bill which the Hoover Commission has recommended. I have found Senators on both sides of the aisle who are in favor of economy who have said that in that particular matter the Hoover Commission is wrong.

Mr. WILLIAMS. That has happened many times on the floor of the Senate. That is why I think the only way we can stop it is to leave these salary increases as an incentive which they can get when we balance the budget.

Mr. MYERS. Dangling before whom?

Mr. WILLIAMS. Before 2,000,000 Government employees.

Mr. MYERS. This bill does not apply to 2,000,000 Government employees.

Mr. WILLIAMS. They will be covered before we get through with all pay bills.

Mr. MYERS. How many employees do those bills cover—2,000,000?

Mr. WILLIAMS. No. Not yet.

Mr. MYERS. The Senator said there were 2,000,000 Government employees.

Mr. WILLIAMS. Either the Senator did not hear what I started to say, or he was not paying attention. I placed in the RECORD a list of 26 other agencies which are not covered by these bills. The Senator from Pennsylvania knows full well that before we are through, once this policy is established, they are going to be asking an increase in salary.

Mr. MYERS. The bill before the Senate at the present time, which we are discussing tonight, and the bills which we will take up in the next few days, cover how many Federal employees?

Mr. WILLIAMS. Roughly speaking, I should say approximately one and a half million employees.

Mr. MYERS. Roughly speaking?

Mr. WILLIAMS. How many does the Senator from Pennsylvania think will be covered?

Mr. MYERS. I should say around a million and a half employees.

Mr. WILLIAMS. There are approximately a half million postal employees. I think approximately eight hundred thousand or nine hundred thousand—

Mr. LANGER. One million seven hundred thousand.

Mr. WILLIAMS. Then I placed in the RECORD tonight a list of 26 other agencies.

Mr. MYERS. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. MYERS. Does the Senator believe that the employees who are covered by this bill are entitled to an increase in salary?

Mr. WILLIAMS. If we had the money to pay them it would be different.

Mr. MYERS. The Senator believes they are entitled to an increase in salary, does he not?

Mr. WILLIAMS. Not if we do not have the money to pay them. As a director of a corporation the Senator from Pennsylvania surely would not increase his pay roll \$400,000,000 or \$500,000,000 if he did not have the money to pay the employees. We have a Government which we must keep solvent.

Mr. President, I quote the President of the United States and I quoted the Democratic platform of 1932. I now think it would be a good idea to quote the Democratic platform of 1948:

We pledge the continued maintenance of those sound fiscal policies which under Democratic leadership have brought about a balanced budget and reduction of the public debt by \$28,000,000,000 since the close of the war.

Of course, the Democrats failed to give the Eightieth Congress any credit for balancing the budget.

I should like to read another statement from the Democratic platform:

We believe that a party platform is a covenant with the people, to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words what that party stands for.

The Democratic Party claims to stand for a balanced budget. The President of the United States has called on Congress for a balanced budget, and I say it is up to Congress to cooperate and give him a balanced budget.

I intend to offer my amendment in connection with all salary-increase bills. They should all be treated alike. As the Senator from Pennsylvania knows, last year when we were talking about reducing the number of employees in one of the departments, half the employees in the Customs Bureau in Philadelphia were laid off and we were threatened with a complete shutdown in the Customs Bureau. That was an implied threat against our effort to reduce their appropriations.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware. The yeas and nays have been ordered.

Mr. LONG. Mr. President, I should like to say a word about the amendment, which obviously would kill the bill, so far as this year is concerned.

Mr. WILLIAMS. Will the Senator yield?

Mr. LONG. Not at this particular moment. I shall be happy to yield after I have said a word.

It was my understanding that we would pass a top pay bill. Obviously this amendment, and several others of a similar nature, would completely kill any possibility of a pay raise at this time.

Mr. WILLIAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator declines to yield.

Mr. LONG. If we desire to punish some one because he failed to balance the budget, there is one logical body to punish, namely, both the House and the Senate. If we held up our own salaries until we balanced the budget, we could be sure that next year we would balance the budget. We would be punishing the guilty parties. But here we have those who agreed to the measure, a majority of those on the subcommittee, and members on the committee who studied the matter, agreeing that people who have every right to a pay raise should get it, people who had nothing whatsoever to do with the budget not being in balance. It is proposed that we punish them because we appropriated too much money.

In the Eightieth Congress there was a great tax reduction bill. Regardless of the merits of that bill, everyone will agree that Congress did reduce taxes by about four or five billion dollars. If that bill had not been passed, obviously, we might have had a balanced budget.

Mr. MILLIKIN and Mr. WILLIAMS addressed the Chair.

Mr. LONG. One minute. I shall yield as soon as I get through with my remarks.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. LONG. I would say that if the United States Senate had not passed the arms-implementation program, if it had not passed the aid-to-Europe measure, and many other programs for which Senators saw fit to vote, naturally the Congress would not have appropriated so much money, and we would have come nearer to having a balanced budget. I feel it is unfair to punish someone else for something for which Congress is responsible.

Some Senator said that the Bureau of the Budget did not approve Senate bill 1772. That is correct; the Bureau did not approve the bill as it was written. As it was sent to the Congress that bill would have cost about \$358,000,000. The Bureau at that time said it was too much. The Committee on Post Office and Civil Service, and the subcommittee of which I was chairman, recommended that about three-fourths of the benefits be stricken from the bill. So the bill now would cost about \$68,000,000 instead of \$358,000,000; in other words, about one-fifth of what the bill would have cost otherwise.

If the desire is to economize and save money, this is not the bill through which to do it, because this bill involves only about \$700,000, after the sponsors of the substitute had their way, and reduced the salaries.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Delaware?

Mr. LONG. I yield.

Mr. WILLIAMS. The Senator said he thought this amendment was an indirect way of killing the bill. Are we to understand that the Senator from Louisiana means that if we adopt this amendment these salary increases would never go into effect because we are not going to have a balanced budget any time in the near future?

Mr. LONG. I would say that if we adopt this amendment these increases will not go into effect this year, because we have not raised nearly as much money as we have appropriated.

I am a member of a committee that is charged with the responsibility of balancing the expenditures and the income. I am a member of the Committee on Post Office and Civil Service, and my committee has recommended pay increases, although the Post Office is in the red. I would say that certainly I personally am not in favor of going deeper and deeper into the red, when the Post Office already has a \$500,000,000 deficit. But why should we penalize someone else when Congress is to



blame? If we do not want to go further in the red, we could vote for some rate bill and make it possible to bring in enough money to pay the salaries.

Mr. WILLIAMS. The Senator says his committee is responsible for the fact that the budget of the Post Office is not balanced. What has he done, or what has the committee done, to remedy the situation?

Mr. LONG. I did not say I was responsible for it. As a member of the committee I have done everything in my power to raise the postal rates, and hold down pay bills, so that we would have some chance of bringing up postal receipts, and having the budget balanced.

Mr. WILLIAMS. Does not the Senator agree that if we adopt this amendment, which provides that the raises shall go into effect when the budget is balanced, we are complying with the request of the Postmaster General, who says he will not increase the salaries until the budget is balanced.

Mr. LONG. I understand the Postmaster General's position. He has not been willing to endorse any of the pay bills because he would like to see more revenue coming in. I personally will support a postal rate bill that will bring the Post Office Department an additional hundred million dollars, or even one to bring an additional \$200,000,000.

Mr. WILLIAMS. Since the Postmaster General has taken the position that he does not want the postal employees to have increases until such time as the Department's budget is balanced, does not the Senator think it is fair to put the same condition on him, that he shall not get his salary increased until he balances the budget?

Mr. LONG. No; I do not think that is fair.

Mr. WILLIAMS. After all, the Senator will admit that some of this balancing of the budget programs could be achieved through savings in the Postal Department itself, will he not?

Mr. LONG. I think I could find no better illustration to show the unsoundness of the amendment than the very example the Senator has brought up. The Postmaster General was before us day after day after day, all year long, begging us to raise the postal rates, fighting all the pressure groups. He has been standing firm with the postal groups against pay raises, asking us to balance income with expenditures. Only because Congress will not let him have raises in postal rates does he find that he cannot balance the budget.

Mr. WILLIAMS. Is it not a fact that one of the reasons why there is so much trouble—and I know the Senator has worked to get a postal increase bill out that would be fair and reasonable—is that the half million postal employees, through their organizations, have been instructed to work against a postal increase? Did not their representatives appear before the Senator's committee in the hearings and testify against the postal increase?

Mr. LONG. Many of them did. I do not know definitely why they have never supported an increase in postal rates. I will agree with the Senator. But he cannot

say that about the Postmaster General, and he cannot say that about those in the Post Office Department directly under the Postmaster General, the first, second, third, and fourth assistants. Those men have done everything they could, but it is because Congress would not let them have their way that they have not been able to eliminate the postal deficit.

Mr. WILLIAMS. Does not the Senator agree that one reason for not letting them have their way is the fact that this gigantic lobby, built up a lot of pressure against your proposals, and if we put this amendment on this bill, we will reverse that procedure. We will not have the postal employees' representatives coming in and advocating increased expenditures and at the same time opposing openly the increases which the committee is trying to put into effect.

Mr. LONG. On the other hand, let us look at the amendment as it would apply to the post office. The Senator is proposing to punish the one person who has done everything possible to balance the budget, including coming to Congress and asking us to do our part, and because Congress fails to do its part, it is proposed that we punish the Postmaster General.

Mr. WILLIAMS. Does not the Senator from Louisiana agree with me that while the Postmaster General has advocated increased postal rates—and I will give him credit for it, he has been very fair about it—is it not also true that he has failed to put into effect many economies in his own department which could be put into effect? Does the Senator think it is necessary that we have over half a million employees to handle the mail when we operated the whole Government with that number 15 or 16 years ago?

Mr. LONG. No. I attempted to determine from the Postmaster General what additional efficiencies might be put into effect, and I was not able to find any, as a member of the committee. There might be some I could not find, but I find that the efficiency has steadily improved in the Post Office Department, and that the main difficulty in the Post Office is that Congress has voted to increase salaries, and that is 84 percent of the postal expenses, and since the war Congress has voted postal-pay increases of about 64 percent, hundreds on top of hundreds of millions of dollars, and has not voted for any major rate increase.

How in the world can Senators vote to keep increasing by enormous amounts the Post Office Department salaries and at the same time not vote to raise some of the postal rates? If Senators say they want to hold the salaries down generally, they might be correct. But here Senators propose to punish the one man who has done all things in his power to wipe out the Post Office Department deficit.

Mr. WILLIAMS. Mr. President, will the Senator yield for another question?

Mr. LONG. Yes.

Mr. WILLIAMS. I think the Senator from Louisiana will agree with me that the Postmaster General has not done everything he could do to cut his budget

in his own Department. The Hoover Commission made many recommendations whereby a more efficient organization could be set up, and where savings could be effected. Does the Senator know of one single instance today where anything recommended by the Hoover Commission has been put into effect, or even started, with the exception of the proposed salary raise?

Mr. LONG. I have sat in the committee and heard the Postmaster General explain why many of the recommendations would not work. For example, the Hoover Commission recommended the use of standard trucks. The Postmaster General found that the trucks would not be acceptable for post office work, and explained why, very obviously, they would not work. I have not seen any recommendations which the Postmaster General has not carried out, where they could work. On the other hand, he established conclusively to me that some of the recommendations would cost additional millions of dollars, instead of producing savings.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS. Is not that typical of the same response that Senators have been receiving from the heads of every Government agency when they come before Senate committees? Does not the Senator remember that the other day the Senator from Arkansas [Mr. McCLELLAN] placed in the RECORD some of the testimony taken before his committee where the heads of various agencies came before the committee and endorsed all the proposals of the Hoover Commission for increase in salaries, endorsed all that part of the program which would give them additional secretaries and additional personnel, but they were very reluctant to put into effect any economies?

Mr. LONG. The best I can recall is that since the war, since 1945, postal salaries in the Post Office Department have been increased more than \$600,000,000 by Congress. That is my offhand recollection. The Post Office Department is about \$500,000,000 in the red. We increased salaries by \$600,000,000 and the Post Office is \$500,000,000 in the red. The Postmaster General agreed it was necessary to increase salaries, just as salaries were increased everywhere else, but the postal rates should also have been increased, but nothing was done about them.

Mr. WILLIAMS. Is it not a fact that the Senator has just criticized Congress for doing in the past years exactly what the Senator is advocating our doing here tonight?

Mr. LONG. With respect to this particular bill, I do not think so.

Mr. HUMPHREY. Mr. President, I think we have witnessed a very strange situation on the floor of the Senate tonight, when one of our distinguished colleagues has tried to compare the Government of the United States with a corporation. I will say with all due respect for the distinguished Senator from Delaware, that the Government of the United States is not a corporation. The think-



ing he has demonstrated by what he has said on the floor of the Senate tonight indicates that he believes it is.

Mr. President, in a corporation the manager sets the policy. The board of directors sets the policy of the corporation. But the poor little stockholders in a corporation, some of the nonvoting stockholders, holders of class A stock, class B stock, preferred-stock holders, holders of all the "gimmicks" that can be put into a corporation by law, have little or nothing to say about the policies of the corporation. I think it should be clear that the Government of the United States is a Government of the people, by the people, and for the people, not a Government of stockholders and coupon clippers.

Mr. President, we have heard tonight a charge made against one of the most efficient officers of our Government. I dare say, there is no more efficient officer in the Government service than Mr. Donaldson. He came up from the ranks. He did everything an individual would be supposed to do in a private corporation, in coming up from the ranks. He literally pulled himself up by his bootstraps. He earned his place as head of the Department by his long and efficient service. The President was applauded for appointing someone who knew his business as did Mr. Donaldson. The President appointed him to be Postmaster General, something which was heralded throughout the Nation.

As my distinguished friend and colleague, the Senator from Louisiana has said, Mr. Donaldson has been before the committee again and again trying to do everything in his power to strengthen and improve the Post Office Department.

Mr. President, I say it is not right and just for any Senator on the floor of the Senate to criticize a man who has given a life of service to his country, and say that Mr. Donaldson should have brought about an increase in postal rates. That can be done in the du Pont Co. It can be done in General Motors. It can be done in all the big corporations of this country, where a few of the big boys can get together and determine whether they are going to give pensions or not to their employees; where a half a dozen men can determine whether to raise the price of steel \$5 a ton and reduce it \$4.75 next week and squeeze the American people out of millions in extra profits, as the United States Steel Corp. did.

Mr. President, the United States Government is not a corporation. There are those who would have it act as one. But I say it is a government of the people—a government dedicated to serving the people.

I think the facts are crystal clear that it is our job as a Congress to legislate, and it is not our job as a Congress to penalize individuals who are underpaid, who have not had a pay raise in two decades.

I will further say that Congress has been more liberal with itself than with the executive department. The Congress has raised its own pay. We gave ourselves \$2,500 tax exempt. We have on prior occasions lifted the salary schedule of the Congress and the classified service.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not yet.

The PRESIDING OFFICER. The Senator from Minnesota declines to yield.

Mr. HUMPHREY. I shall not yield at this particular moment.

Mr. President, I listened to the charge made against the postal employees. It is very easy to make charges against these fine people. Who is it that has been lobbying before the Post Office and Civil Service Committee? Who are those who do not want a raise in postal rates? Let me inform my colleagues who they are: McGraw-Hill Publishing Co.; Time, Look, Life; the Saturday Evening Post; Colliers; McCalls; and the Ladies' Home Journal. The ones representing those publications do not want any raise in postal rates. Those who write editorials against subsidies, who talk about free enterprise, and how subsidies will destroy the morale of the American people are here pleading for a Federal subsidy every day. Believe me, such publications have lobbyists. They do not have a poor little business agent running around representing them on a salary of \$300 a month. They have a battery of clever attorneys and public-relations men appearing before the committee and working on the committee until we are weary. They say to the committee, "If you raise the postal rates, you will drive us out of business." These free enterprisers that criticize the Fair Deal and President Truman say, "Without a subsidy, we cannot live." They do not want subsidies for the farmers. They do not want them to have any additional raise in pay for the workers. There are Senators who do not want the Government employees doing an honest job receive a decent salary. But they will be the first ones, Mr. President, to point the finger at anyone who happens to have a little job on the outside, if he is also working for the Federal Government.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I want to conclude and then I will yield.

The PRESIDING OFFICER. The Senator from Minnesota declines to yield.

Mr. HUMPHREY. Mr. President, some Members of the United States Senate have tried to have a decent salary paid to men working in the Department of Justice. In a recent case brought by the Government against the American Can Co. and the Continental Can Co., two of the biggest monopolies in this country, who have the whole market rigged, so far as tin cans are concerned, what do we find? Two or three Government attorneys drawing less than \$10,000 a year are fighting dozens of highly paid corporation lawyers. Yet some may wonder why the American people are being taken for a ride.

I was chairman of a subcommittee which was trying to get a fair break for the American people against an increase in rail mail rates. The railroads of this country are asking for an 85-percent increase in railroad mail rates. How many attorneys did the Government have to help us? Two attorneys.

Neither one of them were receiving as much as \$10,000 a year. How many attorneys were down here representing the American Railway Association? The room was not large enough to hold them. Every railroad in America had a high-priced attorney down here fighting a little bill. Mind you, the railroads of the country would not even give the Postmaster General the information necessary to defend the public interest. It took months, as Senators know, to get a bill out that was half emasculated by the time it got out. Why? Because the Government stands helpless before powerful organizations which can bring to their service hundreds of high-priced, able, capable, and intelligent people. The Senator from Louisiana, in a spirit of fairness and compromise, grand legislator that he is, was willing to take this compromise substitute amendment to the pending bill in order to get an executive pay bill through. In the face of his spirit of fairness, Senators come along with all the crippling, emasculating amendments they can think of. Now a few words about the budget.

There are two ways to balance the budget. One is to cut expenses, which we will not do. The other is to raise taxes. I am not talking about the little fellows, either. I happen to know, for example, that the United States Steel Corp. is making more money now than it made last year. The big corporations of the country, whose representatives are screaming against the Fair Deal, are getting fatter and fatter and richer and richer. Despite all the subsidies, and so-called inefficiency of the Fair Deal, they never made more money in their lives. From 1940 to 1948 they made \$108,000,000,000 after taxes. Did anyone ever ask you what you made after taxes? There may be a few today in Washington who have been asked that question, but in Minnesota no one ever asks, "What did you make after taxes?" At least, that question is never asked among those with whom I associate—and there were enough of them to elect me to the Senate.

Look back to 1933 and the depression years. Who was down here begging for help before the ordinary people of America ever got a chance? Who were the first people to get public assistance? Thirteen billion dollars in RFC loans went to bail out the railroads, the insurance companies, and the banks. After we took care of the big fellows we said, "Perhaps we ought to provide for a school-lunch program, but not too much. Perhaps we ought to have a WPA, or a soup line, but not too much."

When any of the big outfits get into trouble they move into Washington, rent a fine suite of rooms and go after help. They do not need any 5 percenters. They have plenty of 100 percenters. They know every keyhole in town, and everyone who is behind it. So when the time comes, they get the help they need.

Either we are for good government or we are not. We do not get good government by having Government employees who are poorly paid. The best way to make a crock is to deny someone an opportunity to be an honest man. The



best way to have inefficiency is to pay the kind of salaries which invite inefficiency.

What does this bill do to the budget? It adds \$700,000. That is all it does. If we need the \$700,000, let us tax the du Pont Co. \$700,000 more. They can afford it. Or let us tax some other corporation another \$700,000. It will not go out of business. Perhaps we should ask for \$700,000 from the Scripps-Howard newspapers, or from the Time-Life-Fortune publications. They have been getting a subsidy. However, this \$700,000 can be absorbed in existing appropriations. Senator DOUGLAS will propose such an amendment.

Those who cry the most about our Government are the ones who have benefited most. The postal employees never got rich from it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. So far about all we have been able to get from the magazines which enjoy a Government subsidy is \$15,000,000 in the postal-rate bill. If the Senator from Delaware [Mr. WILLIAMS] would like to get the \$700,000, I would suggest that he go along with us and help us get another \$50,000,000 from the big magazines.

Mr. HUMPHREY. Why does not the distinguished Senator from Delaware [Mr. WILLIAMS] propose an amendment to increase the rates on those magazines and newspapers which have been receiving a heavy postal subsidy?

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. WILLIAMS. The Senator from Minnesota has pointed out that the magazines, Fortune and others, have been living off the Federal Government subsidies to which he referred. He voted for them, and I voted against them.

Mr. HUMPHREY. I am very sorry to remind the Senator from Delaware that so far as the junior Senator from Minnesota is concerned he did not vote for them.

Mr. WILLIAMS. I am speaking of the subsidy under the ECA, to help those magazines.

Mr. HUMPHREY. We are talking about postal rates.

Mr. WILLIAMS. I am talking about subsidies.

Mr. HUMPHREY. We are talking about whether they can use the American mail system advantageously to send their magazines through the mails.

Mr. McCLELLAN. Mr. President—

Mr. WILLIAMS. Mr. President, will the Senator further yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield, and if so, to whom?

Mr. HUMPHREY. I yield to the Senator from Arkansas.

Mr. McCLELLAN. The Senator said that we had two alternatives, either to cut expenses or to increase taxes. In all candor, in the present fiscal situation of the Government, does not the Senator agree that it will require both to balance the budget?

Mr. HUMPHREY. The Senator from Minnesota does not believe in a balanced

budget at this hour, nor is he afraid to say so. Enlightened business management does not believe in a balanced budget every year. I want to join with the enlightened business men, and not with the radicals. The enlightened Committee for Economic Development, a committee of business men, recently made a public statement to the effect that they did not believe that the budget had to be balanced every year. They believe that the budget should be balanced over a period of time, but that it did not need to be balanced every year.

Mr. McCLELLAN. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. McCLELLAN. I am very happy the Senator has yielded to me. The Senator says that he does not believe in a balanced budget.

Mr. HUMPHREY. No, I did not say that. I said that I did not believe in a balanced budget this year. A balanced budget can be obtained only by reduction in expenditures—which we have not done—or increased taxes, which I believe to be an unwise policy at this time.

Mr. McCLELLAN. The Senator referred to the statement of 10 or 12 college professor economists who said that we must not take a balanced budget as a criterion. I want to say to the Senator from Minnesota and to the Senate and to the people of the United States that that philosophy would wreck any government that ever existed, and if we follow it we are headed for catastrophe.

Mr. HUMPHREY. I think the record of history will reveal that there have always been those who have viewed with alarm, and seldom enough of those who have pointed with pride. When Washington was President it was said that the country was headed for catastrophe. When Jefferson was President, it was said that the country was headed for catastrophe. The same thing was said when Jackson was President. Anyone who ever amounted to anything was always leading the country into catastrophe. There are some people who have fun looking around for Mr. Catastrophe. We have never had a President who did something for the American people who was not accused of leading the Nation into disaster. That list includes Washington, Jefferson, Jackson, Lincoln, Theodore Roosevelt, Woodrow Wilson, Franklin D. Roosevelt, and Harry Truman — Republicans and Democrats. Whenever they did anything for the people they were leading the country down the road to statism, or leading it into bankruptcy. Something was always going wrong.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FLANDERS. If I may be permitted to say so, I have an intimate knowledge of the Committee for Economic development, having been chairman of its research committee until the time when I came to the Senate. I have intimate knowledge of the meeting of the 12 professors to which reference was made, because I was present. Let me say that the Committee for Economic Development would agree, without question,

that we should have a balanced budget at this time. The 12 professors agree that we should be balancing the budget at this time. I agree that we should be balancing the budget at this time.

Mr. HUMPHREY. The Senator from Minnesota will say that the Committee for Economic Development tells us that we should balance the budget, but it does not say that we should not increase taxes to do it, and possibly trim some expenses. There is a great hue and cry about taxes. Personally I do not like to vote for higher taxes nor do I favor a tax increase now. If we had not had the Eightieth Republican Congress' tax-reduction bill at a time when we had inflation—and, believe me, there is no economist in America who recommended the tax-reduction bill when we had the worst inflation we ever had—we would have had a balanced budget today.

But the theoreticians cannot predict Joe Stalin, or what the hot and cold war is going to be like. They cannot predict the necessity for arms aid. They cannot predict how we may have to step up our atomic bomb production.

In conclusion, I have been surprised, as a freshman Senator, to hear so many Senators on the floor of the Senate talk as though the world were at peace. I did not read any speeches by Senators during the war about balancing the budget at that time, when the rich were getting richer. No one told us that we ought to balance the budget then. The idea was to sell bonds—to tax, to be sure, to raise as much as possible from taxes, but to sell American bonds. Uncle Sam was selling his own bonds and undertaking to pay the interest on them.

How many Senators believe that the war is over? I think we ought to have a roll call on that question. How many people think the war is over? I am one of those who does not believe that it is over. I do not believe that it will be over until every veteran has had his wounds healed. I do not believe that the war will be over until the world has not only ceased firing but is ready to live in peace again. To talk as though the war were over shows immaturity of judgment. As a matter of fact, the war is a long way from being over. So long as there is insecurity in the world, so long as we are still rebuilding the cities of Europe, so long as we are still trying to help our own people heal up the wounds resulting from the last war, the war is not over and we cannot expect to have a normal fiscal policy.

To talk about an unbalanced budget and to talk about Federal expenditures as if they were a disease and a bad thing, when we are trying to bind up the wounds resulting from the last war and when we are investing in peace, seems to me to be a ridiculous way to talk about the fiscal policy of the Government.

I am not ashamed of the fact that I favor and have favored the Marshall plan. If we had not had the Marshall plan there would not be one free country in Europe today. I am one of those who think we should be willing to spend as much for peace as we have been willing to spend when we are beset by the sacrifices incident to engaging in war. If we



were at war now there would not be a single argument against the appropriation of vast sums of money. In 1945 there was not a dissenting vote in the case of the appropriations needed for the war. Certainly if we are willing to appropriate for war, we should be willing to appropriate for peace. Even in 1942, when things did not look very good, and when things did not look very good at the time of the Battle of the Bulge, Congress kept on appropriating money, because that was the only hope.

I submit that we must take the same gamble for peace. I am not at all ashamed of the fact that I have favored the Marshall plan and the plan for arms for Europe. Not only did I favor them, but if they were brought up again I would vote for them again. Moreover, Mr. President, I am not at all ashamed of the fact that I am in favor of adequate salaries for the working people of America, salaries sufficient to enable them to pay their bills, so that we can have as strong an America and as strong a democracy as ours should be.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. Does the Senator from Minnesota remember a time, about 7 months ago, when he was attending a private dinner given by the Cowles brothers, at one of the hotels, when the Senator from Minnesota made an impassioned plea in advocating the subsidizing of the press and of the magazines of the country, and said they performed a public service?

Mr. HUMPHREY. Yes, indeed.

Mr. HICKENLOOPER. Does the Senator remember saying at that time that the Government should subsidize those publications?

Mr. HUMPHREY. Mr. President, I am very happy that the Senator from Iowa has brought that to my attention, because the Senator from Minnesota does not think the post office is a business. I do not think the Government is a business. If it is a business, then we should get ourselves cash registers.

This is not a business. To be sure, I believe in free speech and I believe in free speech enough to believe that we have to pay the price for it. I believe we cannot expect every person on a rural mail route to pay the cost of the rural-mail delivery. There may be some Members of the Senate who would wish to have the rural-mail delivery placed on a pay-as-you-go basis; but if they take that position, let them go tell that to the folks on the rural-mail routes and lines.

I am in favor of the magazines. Many of them carry wonderful advertisements which give us fine ideas about where to go when we take a vacation—if we ever get away from here long enough so that we can take a vacation. [Laughter.]

What I said to those publishers was, "Why in the world do you keep on writing editorials about subsidies and about not wanting subsidies, when you do not object to subsidies for yourselves? There may be some persons who favor having everything in the Government con-

ducted on a pay-as-you-go basis, and who favor having every agency and activity of the Government stand on its own feet, on a rugged individualism basis; but our people do not favor that. Today many business activities are on a subsidy basis—shipping, aviation, agriculture. Since that is so, I want to give everyone a break; and I want to help the newspapers, too. I want to help the Cowles newspapers. They are fine newspapers. As a matter of fact, Mr. Cowles is a splendid and enlightened man. I have the highest regard for him. He does not always agree with me, and I do not always agree with him; but I am perfectly willing to help him. But I do not want people who share his political philosophy to come here on the floor of the Senate and attempt to harangue the Postmaster General for being inefficient and for not having a balanced budget—as if he had anything to do about it; after all, we in Congress appropriate the money—when the Postmaster General is saying to the Cowles newspapers and to all the other newspapers and publications in America what needs to be done if we are to have free speech in America.

Mr. McFARLAND. Mr. President—The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. McFARLAND. I yield.

Mr. LUCAS. I ask unanimous consent that when the business of the session this evening is concluded, the Senate stand in recess until tomorrow at 12 o'clock.

Mr. WILLIAMS. I object. I do not see any need for a recess before the vote is taken on the amendment.

Mr. LUCAS. Mr. President, if the Senator will further yield, let me say that I simply wish the record to note that one more simple unanimous-consent request made by the Senator from Illinois has been objected to.

Mr. WILLIAMS. And I also wish to have the record note that the reason why the request was made is that the Senator from Illinois knows a quorum is not present in the Senate this evening.

Mr. McFARLAND. Mr. President, I shall use only about 3 minutes' time. I wish to make a very brief statement in regard to this amendment.

As one of the sponsors of the substitute, which, of course, is a compromise, I feel it is my duty to oppose this amendment to it. I do not agree with everything that has been said on either side of the aisle in this long discussion, much of which had nothing to do with the pending amendment. But I wish to say that I think the Senator from Louisiana has been very fair. He has put forth an honest effort to help obtain a reasonable increase of salary for the top employees in the executive departments. However, his effort has not been directed solely toward an increase in salary, but it has been directed partly toward an equalization of salary.

Certainly it would be unfair to add such an amendment as the pending one to the bill, when only recently we have

passed a military pay bill to which we did not add such an amendment, and only shortly before that we passed a bill increasing our own salaries, but did not add to that bill an amendment similar to the one now pending.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LUCAS. As I recall, we voted to increase our salaries at a time when there was not a balanced budget, either.

Mr. McFARLAND. I am glad the Senator made that point.

Mr. President, I favor a balanced budget. I wish to go on record as favoring a balanced budget. I admit that I voted for a great many appropriations which perhaps other Members of the Senate thought should not have been voted for and should not have been passed by the Congress. But, likewise, I voted against a decrease in taxes. So my record has been consistent in that regard.

This evening we have agreed to a compromise which will save the people of the United States half a million dollars a year, or in 10 years will have \$5,000,000. That is a substantial saving, although it is true it is not a great deal as compared to many of the large amounts the Government spends. It is very small as compared to a great many of the governmental expenditures. However, it takes the "peanuts" about which the Senator from Vermont was talking, to make the big sums. If we are simply to begin to say, "This amount is not very much, and is not worth bothering with," we never will have a balanced budget.

Mr. President, this is not the time to attach an amendment like the pending one to this bill. I hope that those who joined in sponsoring the compromise will help vote down the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware, offered to the amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll—

Mr. LUCAS. Mr. President, if I may be recognized at this time, I think perhaps as the leader of the Democratic Members of the Senate, I should say a word or two in connection with the bill and the amendment.

The strange thing about some of this debate is that on yesterday we passed a military pay bill which will cost the taxpayers of the United States \$300,000,000. There was no controversy over our action yesterday such as we are witnessing today over a little bill here involving \$700,000.

Mr. WILLIAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Delaware?

Mr. LUCAS. I am sorry, I do not yield to the Senator. He has had the floor long enough this evening. [Laughter.] Besides, the Senator makes a speech



every time he asks a question. I should like to take just a little time now, without yielding. The Senate yesterday considered a \$300,000,000 pay bill, and it was passed, not by a yea-and-nay vote, but merely by a voice vote. Yet here we spend almost 2 days on a pay bill affecting the top officials in the executive branch of the Government who are charged with the responsibility of running our Nation's \$40,000,000,000 business.

Mr. President, tomorrow we shall pass another bill, the postal pay bill. We saw what the House of Representatives did yesterday on that bill—only two Members of the House voted against it. I do not know how many votes there will be against it in the Senate; not very many, perhaps.

What happened last year when our Republican friends were in charge of the Congress of the United States? Did they have a pay bill at that time? Did they have an executive pay bill? Do Senators recall who introduced the pay bill? It was none other than the distinguished Senator from Ohio [Mr. Taft] who introduced it, in June 1948. No doubt many Senators have forgotten about the bill. I did not hear all the furor over that 1948 executive pay bill that I have heard over this one tonight. There were four titles to the Taft bill. Title I increased the basic pay rates of postal employees by \$450 a year. Title II provided for general increases in the salaries of classified employees, and added a new classification grade for professional and scientific employees.

This top grade, under the Classification Act, would have paid a maximum of \$13,000. Title III of the Taft bill was substantially the same as the executive pay bill, which was reported by the Committee on Post Office and Civil Service. Title IV provided for increasing the pay of legislative and judicial employees. That is a brief summary of the bill, and when that bill introduced by the distinguished Senator from Ohio is analyzed and its salary increases compared with the increase in salaries contained in the bill reported by the Committee on Post Office and Civil Service, they will be discovered to be almost identical, and a substantial increase over the Johnson substitute.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from New York?

Mr. LUCAS. I yield.

Mr. IVES. The Senator from New York would like to ask the Senator from Illinois whether he does not think in all fairness to the able Senator from Ohio he should point out that at the time the able Senator from Ohio was promoting such legislation, we had a balanced budget by a large margin.

Mr. LUCAS. Oh, yes. I knew someone was going to ask that. It is true.

Mr. IVES. The Senator from New York is not out of sympathy with the Senator from Illinois on the matter. It is merely a matter of fairness to the distinguished Senator from Ohio.

Mr. LUCAS. There is no doubt about it at all. But I go back to the situation in the Senate when we raised the salaries of Senators. We did not then have a balanced budget. I heard no serious objection at that time to an increase in our own pay. I do not recall what Senators, if any, voted against raising their own salary at that time.

The Senator from Colorado raises his hand. That is an indication the Senator opposed the increase. But there were very few who voted against raising their own salaries, and there are those on the other side of the aisle who are now suggesting the offering of an amendment to this bill to increase salaries of Members of Congress at this particular time, notwithstanding the fact that we have had so much talk about the balancing of the budget—as though that were the real cause for not passing a pay bill. That is a snare and a delusion. The truth of the matter is that those on the other side of the aisle who were in favor of the Taft pay increase bill last year are tonight not in favor of a pay bill, primarily because they want, if they can, to continue to hinder and make difficult the work of the man in the White House at the present time. President Truman said the Eightieth Congress was the worst in history, and the gentlemen on the other side of the aisle have attempted to make this Congress the worst in history. I do not blame them for their attempt, as the result of what President Truman said in his campaign. He was successful. Senators on the other side have a right to play politics. But do not lay it on to economy that Senators are against the pending bill. That argument is a lot of tommyrot, Mr. President, and everyone knows it, when Senators who yesterday voted \$300,000,000 to increase the military pay without a controversy tonight talk about economy on a little \$700,000 bill.

Who was it who struck out title III of the Taft bill in 1948? Was it a Republican who got up and offered the motion to cut out the increase in the executive pay? No. It was a Democrat—the Senator from Virginia [Mr. Byrd]—who offered the amendment that struck out the executive pay increase at that particular time.

And why did the Senator from Ohio [Mr. Taft] offer the bill at that time? He was right in attempting to increase these salaries. But at that time the Senator thought, as other Republicans thought, that the Republicans were going to win the election and place a Republican in the White House. The distinguished Senator from Ohio saw at that particular time that what was needed was better men in the executive branch of the Government of the United States.

He wanted the person who he believed would become President to be in a position to obtain them. Perhaps the Senator from Ohio, himself, believing that he might be the man who would become President of the United States, wanted to be in a position to employ capable and competent men to operate the Government. That is the reason the Senator from Ohio introduced the bill at that particular time. It was a sound reason then, it is sound today.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LUCAS. In a moment. What were all the people who are now objecting, doing at that time, when the bill was debated on the floor of the Senate? There was not a word of protest on the other side of the aisle. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. From all reports we heard at this time last year, is it not true that the man who thought he was going to be President, Mr. Dewey, was giving more thought and consideration at that time to whether he could get good men in executive positions for the amount allowed by the law now on the statute books, which provided \$15,000 for the men that would head up his executive positions, than to anything else? Was that not giving him more trouble than anything else? He thought he was already elected. He was not worrying about the election. But he was studying whether he could get efficient men into office at the salaries provided for them. Is that not true?

Mr. LUCAS. The Senator is absolutely correct. The statement was made at various times by Governor Dewey. He had a right to talk about it, and every individual who is interested in the executive branch of the Government, with all its responsibilities, has a right to consider this very important question. Everyone knows we cannot compete with the industries of the country from the standpoint of obtaining capable executives, as a result of the insufficient salaries we pay to such executives.

Mr. President, I want to place in the RECORD at this time a chart giving a comparison of recent executive pay bills, showing the present pay of all the heads of the different agencies. It also shows the amounts carried in House bill 1689, as it passed the House, and the amounts contained in the bill as reported in the Senate. It further shows the salaries proposed under the substitute offered by the Senator from Colorado [Mr. Johnston]. Finally it shows the amounts contained in the bill introduced in June 1948, by the distinguished Senator from Ohio [Mr. Taft]. It is an interesting comparison. It will be of interest to any Senator who desires to examine it.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:



## Comparison of recent executive pay bills

Position	Present	H. R. 1689, as passed by the House	H. R. 1689, proposed by the Senate	Substitute bill of Senator Johnson (Colorado)	Bill proposed by Senator Taft, June 1948
<b>Sec. 1 (Senate proposal):</b>					
Head of each executive department (Cabinet officers).....	\$15,000	\$25,000	\$25,000	\$22,500	\$20,000
Administrator for Economic Cooperation.....	20,000	20,000	25,000		
Comptroller General of the United States.....	12,000	20,000	20,000	15,000	18,000
Chairman, Council of Economic Advisers.....	15,000	20,000	20,000		
Director, Bureau of the Budget.....	10,000	20,000	20,000	15,000	18,000
Chairman, National Security Resources Board.....	14,000	20,000	20,000	15,000	
Administrator, Federal Security Agency.....	12,000	20,000	20,000	15,000	18,000
Administrator, Veterans' Affairs.....	12,000	20,000	20,000	15,000	18,000
Administrator, General Services Administration <sup>1</sup> .....	(1)	20,000	20,000	15,000	
Housing and Home Finance Administrator.....	16,500	18,000	20,000		18,000
Under Secretary of each executive department.....	10,000-12,000	20,000	20,000	15,000	18,000
Assistant to Attorney General, Justice.....	10,330	20,000	20,000	15,000	18,000
Solicitor General of the United States, Justice.....	10,330	20,000	20,000	15,000	18,000
First Assistant Postmaster General, Post Office.....	10,330	20,000	20,000	15,000	18,000
<b>Sec. 2 (b) (Senate proposal):</b>					
White House officials designated by President:	(1)15,000	(2)20,000	(2)20,000	(2)20,000	18,000
6 administrative assistants.....	(1)12,000	(3)18,000	(3)18,000	(3)18,000	16,500
The executive secretary, National Security Council.....	(9)10,330	(7)16,000	(7)16,000	(7)15,000	15,000
5 other secretaries or other immediate assistants.....	(1)10,000				
<b>Sec. 3 (a) (Senate proposal):</b>					
Chairman, Atomic Energy Commission.....	17,500	18,000	18,000		18,000
Chairman, Munitions Board.....	14,000	18,000	18,000	15,000	16,500
Chairman, Research and Development Board.....	14,000	18,000	18,000	15,000	16,500
Deputy Administrator for Economic Cooperation.....	17,500	18,000	18,000		
Assistant Comptroller General of the United States.....	10,330	18,000	18,000	14,000	16,500
Assistant Director of the Bureau of Budget.....	10,330	18,000	18,000	14,000	16,500
Deputy Administrator of Veterans' Affairs.....	10,330	18,000	18,000	14,000	16,500
Chairman, Board of Directors, Reconstruction Finance Corporation.....	15,000	16,000	18,000	15,000	16,500
Comptroller of Currency.....	15,000	16,000	18,000		
<b>Sec. 3 (b) (Senate proposal): Director, Administrative Office, United States courts.</b>					
	10,330	15,000	16,000	15,000	16,500
<b>Sec. 3 (c) (Senate proposal):</b>					
Public Printer.....	10,330	17,500	17,500	15,000	16,500
Librarian of Congress.....	10,330	17,500	17,500	15,000	16,500
Members (other than chairman) Council of Economic Advisers.....	15,000	17,500	17,500		
Director of Central Intelligence.....	14,000	17,500	17,500	15,000	
Federal Mediation and Conciliation Director.....	12,000	17,500	17,500	15,000	16,500
Assistant Federal Security Administrator.....	10,330	17,500	17,500	14,000	
Director, Federal Bureau of Investigation.....	14,000	17,500	17,500	15,000	
Deputy Under Secretaries of State.....	10,330	15,000	17,500	14,000	
<b>Sec. 4 (Senate proposal):</b>					
Members, Board of Governors, Federal Reserve System.....	15,000	16,000	16,000		
Members, Home Loan Bank Board.....	15,000		16,000		15,000
Public Housing Commissioner.....	15,000		16,000		15,000
Federal Housing Commissioner.....	15,000		16,000		15,000
Director of Aeronautical Research, National Advisory Committee for Aeronautics.....	10,330	16,000	16,000	15,000	
Members, Civil Aeronautics Board.....	12,000	16,000	16,000	15,000	16,500
Chairman, Board of Directors, Export-Import Bank of Washington.....	15,000	16,000	16,000	15,000	16,500
Members, Federal Communications Commission.....	10,000	16,000	16,000	15,000	16,500
Board of Directors, Federal Deposit Insurance Corporation.....	15,000	16,000	16,000		16,500
Members, Federal Power Commission.....	10,000	16,000	16,000	15,000	16,500
Members, Federal Trade Commission.....	10,000	16,000	16,000	15,000	16,500
Members, Interstate Commerce Commission.....	12,000	16,000	16,000	15,000	16,500
Members, National Labor Relations Board.....	12,000	16,000	16,000	15,000	16,500
Members, National Mediation Board.....	10,000	16,000	16,000	15,000	16,500
Members, Railroad Retirement Board.....	10,000	16,000	16,000	15,000	16,500
Members, Securities and Exchange Commission.....	10,000	16,000	16,000	15,000	16,500
Board of Directors, Tennessee Valley Authority.....	10,000	16,000	16,000	15,000	16,500
Members, Civil Service Commission.....	10,000	16,000	16,000	15,000	16,500
Chairman, U. S. Maritime Commission.....	12,000	16,000	16,000	15,000	16,500
Members, U. S. Tariff Commission.....	10,000	16,000	16,000	15,000	16,500
Members (other than Chairman) Atomic Energy Commission.....	15,000	16,000	16,000		16,500
General Counsel, National Labor Relations Board.....	12,000	16,000	16,000	15,000	16,500
Architect of the Capitol.....	10,330	16,000	16,000	15,000	15,000
Deputy Administrator of General Services <sup>1</sup> .....	(1)	16,000	16,000	14,000	
<b>Sec. 5 (a) (Senate proposal):</b>					
Housing Expediter.....	12,000	15,000	15,000	14,000	
Director of Selective Service.....	12,500	15,000	15,000	14,000	
Assistant Architect of Capitol.....	9,985	15,000	15,000	14,000	
Members, Displaced Persons Commission.....	10,000	15,000	15,000	14,000	16,500
Members, Indian Claims Commission.....	10,000	15,000	15,000	14,000	16,500
Members, War Claims Commission.....	12,000	15,000	15,000	14,000	16,500
Members, Philippine War Damage Commission.....	12,000	15,000	15,000	14,000	16,500
Under Secretary of Defense.....	14,500			20,000	
Assistant Secretary of each Executive Department.....	10,000-10,330	15,000	15,000	15,000	15,000
Fiscal Assistant Secretary, Department of Treasury.....	10,330	15,000	15,000	15,000	
Assistant Attorney General, Department of Justice.....	10,000-10,330	15,000	15,000	15,000	15,000
Assistant Solicitor General, Department of Justice.....	10,330	15,000	15,000	14,000	
Counselor, Department of State.....	10,330	15,000	15,000	15,000	15,000
Second, Third, and Fourth Assistant Postmasters General, Post Office.....	10,330	15,000	15,000	14,000	15,000
Associate Federal Mediation and Conciliation Director.....	10,330	15,000	15,000	14,000	
Deputy Director, Central Intelligence.....	10,000	15,000	15,000	14,000	
Philippine Alien Property Administrator.....	10,000	15,000	15,000	15,000	
Chief Assistant Librarian of Congress.....	10,330	15,000	15,000	14,000	15,000
Deputy Public Printer.....	10,330	15,000	15,000	14,000	15,000
Members (other than Chairman) Board of Directors, Export-Import Bank of Washington.....	12,000	15,000	15,000	15,000	16,500
Members (other than Chairman) Board of Directors, Reconstruction Finance Corporation.....	12,500	15,000	15,000	15,000	16,500
Members (other than Chairman) U. S. Maritime Commission.....	10,000	15,000	15,000	15,000	16,500
Commissioners, U. S. Court of Claims.....	9,707		15,000	14,000	11,270
Governors of Territories.....	10,000-10,330	15,000	15,000	15,000	16,500
<b>Sec. 5 (b) (Senate proposal): Assistant Director, Administrative Office of United States Courts.</b>					
	9,707	10,000	15,000	14,000	15,000
<b>Sec. 5 (c) (Senate proposal):</b>					
Legislative counsel, House of Representatives.....	12,000	12,000	12,000	12,000	
Legislative counsel, Senate.....	12,000	12,000	12,000	12,000	

<sup>1</sup> Salaries for these positions have not yet been established by the President in accordance with Public Law 152, 81st Cong.



## Comparison of recent executive pay bills—Continued

Position	Present	H. R. 1689, as passed by the House	H. R. 1689, proposed by the Senate	Substitute bill of Senator Johnson (Colorado)	Bill proposed by Senator Taft, June 1948
Positions deleted by Senate Committee:					
Archivist of the United States	\$10,000	\$15,000		\$14,000	
Administrator, Production and Marketing Administration	10,330	15,000		14,000	
Commissioner of Internal Revenue	10,330	15,000		15,000	
Director, Bureau of Prisons	10,330	15,000		14,000	
Commissioner of Public Roads	10,330	15,000		15,000	
Commissioner of Public Buildings	10,330	15,000		14,000	
Commissioner of Community Facilities	10,330	15,000		14,000	
Commissioner of Immigration and Naturalization	10,330	15,000		14,000	
Administrator of Civil Aeronautics	12,000	15,000		15,000	
Administrator, Rural Electrification Administration	10,330	15,000		15,000	
Commissioner for Social Security	10,330	15,000		14,000	
Commissioner of Reclamation	10,330	15,000		14,000	
Chief, Soil Conservation Service	10,330	15,000		14,000	
Commissioner of Customs	10,330	15,000		14,000	
Commissioner of Narcotics	10,330	15,000		14,000	
Governor, Farm Credit Administration	10,000	15,000		14,000	
Chief Forester, Forest Service	10,000	15,000		14,000	
Administrator, Farmers Home Administration	10,000	15,000		14,000	
Manager, Federal Crop Insurance Corporation	10,330	15,000		14,000	
Three special assistants to the Secretary of Defense	10,000	15,000		15,000	\$15,000
Director, Bureau of Federal Supply	10,330	15,000		14,000	
Federal Works Administrator	12,000				18,000
Board of Commissioners, District of Columbia	10,000				16,500
Assistant Federal Works Administrator	10,000				16,500

Mr. LUCAS. One more word, Mr. President, and I am through.

The Senator from Louisiana [Mr. LONG] and the Senator from South Carolina, the distinguished Chairman of the Committee, have entered into a compromise with other Members of the Senate on a pay bill. It is not what I want, Mr. President; it is not as much as I believe we should have; but, nevertheless, it is an increase in salaries, and it does give some help to those persons employed in the executive branch of the Government. I hope the pay bill will pass. I hope that no emasculating amendment will be put on the bill. I plead with the Democrats as well as the Republicans who are anxious to see more efficiency in Government obtainable only by having better employees, to defeat each and every emasculating amendment, such as the one offered by the Senator from Delaware. It is an absurd and ridiculous amendment, so far as giving any increase in pay is concerned. We all know that if this amendment were adopted the pay bill would be dead. That is exactly what the Senator from Delaware wants. He wants to kill it by indirection rather than by voting against the bill directly. It is the same old story—the same type of attack we have in connection with practically every bill which comes before the Senate.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Louisiana.

Mr. LONG. I hope the Senator realizes that this amendment is to be offered to each pay bill, and that if Senators want to be consistent with themselves and with their country, they would have to vote for it. There are some persons who are not going to be fooled by it. The post-office workers are not going to be fooled by it. The post office workers have a way of voting, too, and they are smart enough to know that it is a move to kill their pay bill, just as it is a move to kill every pay bill.

Mr. LUCAS. It is strange that the amendment was not offered in connection with the military pay bill. I am anxious to see which Senators vote for this amendment to this particular bill

and which Senators vote for the same amendment on other pay bills.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I should like to reply very briefly to the Senator from Illinois [Mr. LUCAS] and the Senator from Minnesota [Mr. HUMPHREY].

I made the statement that there could be greater efficiency in the Post Office Department and every other executive department, and I stand by it. The Senator from Minnesota said he did not agree with me in my statement that the business of the Government could be compared with that of a great corporation, because he pointed out that in a corporation there are many little stockholders who have nothing to do except to hold their stock, and they cannot express their opinion. If that is his definition of a corporation, then certainly the Government is a corporation, because we are here as a board of directors, and there are 140,000,000 people outside who are paying the running expenses of the Government and who have very little to say as to how we are throwing away their money.

The business of this Government should be operated on the basis of any other business that is not spending any more money than we are taking in.

The Senator from Minnesota said he was in favor of a balanced budget some time, but not at this particular time. Well I ask, What better time than now? For 17 years that the budget has been out of balance, and it remained unbalanced until the Republican Party came into power last year. Sooner or later we shall have to balance the budget. It is true that for several years it has been predicted that if we did not balance the budget we would have trouble, but so far we have not had it. But that same warning was advanced in every country in the world, including England, and were passed by until we saw those countries go down the road to bankruptcy preceded by the deflation of their currencies. We do not want that to happen here. Unless we balance the budget, it can happen.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield.

Mr. LONG. The Senator has been thinking about this for some time. If he was in favor of balancing the budget, why did he not offer his amendment when the military pay bill was being considered? Why did he not offer it to the bill providing for a \$300,000,000 increase for the armed forces?

Mr. WILLIAMS. I will answer the Senator from Louisiana by saying this. What we are considering is not an amendment to a certain bill; we are considering it as a matter of policy on all civilian employees. I agree that what we do here we should be ready to carry through in connection with all civilian Federal employees—those in the armed forces are in a different category in that many of them are drafted into service.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS. I should like to finish, because the hour is late.

I should like to say that we are voting tonight on a matter of great importance. The question of whether we balance the budget is very important, so far as this Nation is concerned. The Senator from Minnesota [Mr. HUMPHREY] singled out corporations in my State and suggested levying special taxes against them, so that he, as a champion of the little man, could give little men some money, because he so loves the little man. I should like to say first that as a Delawarian we are proud of the du Pont Co. Had it not been for corporations such as the du Pont Co. the United States of America could not have won the last war. I am not at all ashamed to stand on the floor of the Senate and defend their record during the last war or the record they have made in the development of our Nation. In my State we are proud of them and all the other great corporations which are a part of this great country of ours.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILLIAMS. Not at this time.

The PRESIDING OFFICER. The Senator declines to yield.



Mr. WILLIAMS. It has been pointed out that the top officials would get a salary increase of \$5,000 to \$7,000 under the pending measure but the Senator from Minnesota [Mr. HUMPHREY] made much of the fact he was such a great champion of the little man. Now I want to show what some of the little men would receive under these bills supported so earnestly by the junior Senator from Minnesota [Mr. HUMPHREY].

Referring to page 16 of Report No. 847, we find that 19,000 of these little men will get an increase of only 10 cents a day. We find that another 21,617 Government employees, little men—these employees are in the lowest brackets—will get an increase of a little less than 20 cents a day. There are 150,519 little men in the lowest bracket who will get an increase of a little less than 30 cents a day.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS. In just a moment. Let us complete this record on just how much you think of the little men. We find that 199 of these lowest-paid employees, under the bills proposed, will get an increase of a little less than 2 cents a day. We find that 47,906 other employees will get an increase of a little less than 12 cents a day. We find that 16,728 will get an increase of approximately 24 cents a day. There is no use in kidding ourselves; these bills are primarily for the top executives. I agree that we should have a higher caliber of men in the Federal service, and the only way we can get them is to pay higher salaries. But I think we should demand of those men some service and some economies, and if they do not intend to put into effect in their departments the economies which they can put into effect, they are not entitled to a salary increase. I know of no better way than to make these increases contingent upon a balanced budget. In that way we will balance the budget for the American taxpayers, and at the same time these employees will receive their salary increases.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. Is it not true that the President of the United States, if he so desired, could so cut expenses that he alone could balance the budget, and the Senator's amendment could go into effect?

Mr. WILLIAMS. Yes; and I think that the only way the budget will ever be balanced is for the President of the United States to pass the word down to the executive departments that they must cut the expenses in their departments.

Secretary of Defense Johnson has started out and is doing a wonderful job, and no one has heard me complain about what he has done, no matter how many employees he has laid off in the State of Delaware. I shall support him in his efforts, and I hope that others in the executive branch will follow his example.

Mr. President, before we vote on this amendment, I ask unanimous consent to have inserted at this place a part of the Democratic platform of 1948, and by this vote we can see whether or not they meant it.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[Excerpt from the Truman program, Democratic platform, 1948]

#### FISCAL POLICIES

We pledge the continued maintenance of those sound fiscal policies which, under Democratic leadership, have brought about a balanced budget and reduction of the public debt by \$28,000,000,000 since the close of the war.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the negative when his name was called.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. There has been an answer by one Senator.

Mr. LANGER. A point of order. The Senator from Vermont [Mr. AIKEN] has already answered.

The PRESIDING OFFICER. The Senator from Vermont [Mr. AIKEN] having voted, there cannot be a quorum call.

Mr. WHERRY. I ask unanimous consent that a quorum call be had on this important vote.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. I object.

The PRESIDING OFFICER. The clerk will continue the call of the roll.

Mr. AIKEN. Mr. President, the unanimous-consent request does not void the vote which I cast, does it?

The PRESIDING OFFICER. It does not. The Senator from Vermont voted "nay." The minority leader, the Senator from Nebraska [Mr. WHERRY], requested a quorum call, but there was objection to it.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. McKELLAR], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. O'CONOR], the Senator from Virginia [Mr. ROBERTSON], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from North Carolina [Mr. C. AHAM] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

The Senator from North Carolina [Mr. HOEY] is absent on public business.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. McCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from North Carolina [Mr. GRAHAM], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. O'CONOR], and the Senator from Utah [Mr. THOMAS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], the Senator from New York [Mr. DULLES], the Senator from Massachusetts [Mr. LODGE], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate. If present and voting, the Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], and the Senator from Pennsylvania [Mr. MARTIN] would each vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The Senator from Ohio [Mr. TAFT] who is necessarily absent is paired with the Senator from Oregon [Mr. MORSE] who is also necessarily absent. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Oregon would vote "nay."

The senior Senator from Indiana [Mr. CAPEHART] and the junior Senator from Indiana [Mr. JENNER] are absent on official business.

The Senator from New Jersey [Mr. HENDRICKSON] is detained on official business and is paired with the Senator from Maine [Mrs. SMITH] who is necessarily absent. If present and voting, the Senator from New Jersey would vote "yea" and the Senator from Maine would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Wisconsin [Mr. McCARTHY] and the Senator from Kansas [Mr. REED] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

The result was announced—yeas 17, nays 39, as follows:

#### YEAS—17

Bridges	Frear	Millikin
Butler	Gurney	Mundt
Byrd	Hickenlooper	Watkins
Cordon	Kem	Wherry
Eaton	McClellan	Williams
Ferguson	Malone	

#### NAYS—39

Aiken	Douglas	Hayden
Anderson	Flanders	Hill
Chapman	Fulbright	Holland
Donnell	Green	Humphrey



Ives	Lucas	Russell
Johnson, Tex.	McFarland	Saltonstall
Johnston, S. C.	McMahon	Schoeppel
Kerr	Magnuson	Sparkman
Kilgore	Maybank	Stennis
Knowland	Myers	Taylor
Langer	Neely	Thye
Leahy	O'Mahoney	Withers
Long	Pepper	Young

## NOT VOTING—40

Baldwin	Hendrickson	O'Connor
Brewster	Hoey	Reed
Bricker	Hunt	Robertson
Cain	Jenner	Smith, Maine
Capehart	Johnson, Colo.	Smith, N. J.
Chavez	Kefauver	Taft
Connally	Lodge	Thomas, Okla.
Downey	McCarran	Thomas, Utah
Dulles	McCarthy	Tobey
Eastland	McKellar	Tydings
Ellender	Martin	Vandenberg
George	Miller	Wiley
Gillette	Morse	
Graham	Murray	

So Mr. WILLIAMS' amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert a new section as follows:

SEC. 8. The head of each department or independent agency in the executive branch of the Government, having personnel subject to the provisions of this act, is authorized and directed to absorb the increased costs during the fiscal year 1950 resulting from the enactment of this act within any unobligated or unexpended balances in appropriations available to such department or independent agency. For the purposes of the foregoing, in cases where current appropriations have not yet become law, the fiscal year 1950 appropriations shall be considered to be the lesser of the amounts passed by the Senate or House of Representatives as of September 28, 1949.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. DOUGLAS. Mr. President, the proposal is self-evident. It seeks to absorb the \$700,000 or more of increases which are provided in the Johnson-McFarland amendment by decreases in the pay rolls or other expenses in the departments where these increases have been given, so that if this amendment is put into effect there will be no increase in the total budget. This can obviously be done very easily. It will not require that anyone be fired. It can be done merely by not filling some of the vacancies.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. The Senator has said the amount will come from decreases in the pay rolls. Does the amendment confine this unused appropriation to pay rolls alone, or to all the appropriations of the departments?

Mr. DOUGLAS. The Senator is correct. According to the wording of the amendment the savings will not be confined purely to payments for personal services.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. WHERRY and other Senators asked for the yeas and nays, and they were ordered.

Mr. LONG. Mr. President, in view of the fact that only \$700,000 is involved, the committee would be glad to accept the amendment and take it to conference. I do not think it is necessary for Senators to go on record as voting on the amendment, as the committee will gladly take it to conference.

Mr. GURNEY. Mr. President, I should like to ask the Senator from Illinois what the last sentence in the amendment means. I fear that it may result in a continuing appropriation.

Mr. DOUGLAS. The intention was to cover those appropriations which have not yet been passed by the two bodies.

Mr. GURNEY. For the RECORD let me read the last sentence in the Senator's amendment:

For the purposes of the foregoing, in cases where current appropriations have not yet become law, the fiscal year 1950 appropriations shall be considered to be the lesser of the amounts passed by the Senate or House of Representatives as of September 28, 1949.

Mr. DOUGLAS. I propose to eliminate the last sentence. There is some ambiguity in that language.

The PRESIDING OFFICER. Does the Senator from Illinois ask unanimous consent to eliminate that language?

Mr. WHERRY. Mr. President, the Senator can modify his own amendment by withdrawing the language.

The PRESIDING OFFICER. The Senator cannot modify his amendment except by unanimous consent, because the yeas and nays have been ordered.

Mr. WHERRY. That is true. Mr. President, I ask unanimous consent that the Senator be permitted to modify his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is modified as requested by the Senator from Illinois.

The yeas and nays have been ordered.

Mr. LUCAS. Mr. President, the Senator from Louisiana is willing to take the amendment to conference, so apparently there is no reason for the yeas and nays.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the yeas and nays be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS], as modified.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 15, before the word "seven", it is proposed to strike out the word "and"; and at the end of the same line it is proposed to strike out the period, insert

a comma, and the following: "and two legislative assistants at rates not exceeding \$12,500 per annum."

Mr. SPARKMAN. Mr. President, the amendment relates to that part of the bill which has to do with the staff members of the White House. It relates to the two legislative assistants to the President. Those positions were created by Executive order after the President had sent the message to the Congress asking for the pay increase, and therefore when the bill was studied by the committee the two positions were not included. The ones occupying those positions now receive \$10,000 each, which is the same amount the administrative assistants to the President receive. The substitute raises the pay of the administrative assistants to \$15,000. My amendment seeks to raise the pay of the two legislative assistants to \$12,500.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama [Mr. SPARKMAN].

Mr. McFARLAND. Mr. President, I wish to call the attention of the Senate to the fact that these two amendments were not included in the original bill. If we begin to add individuals who are not included in the original bill, after we have voted to adopt the compromise amendment, I do not know when we will complete action on the bill. Several Senators have spoken to me about various employees whose salaries they would like to see increased, but who have been omitted. There are some whose salaries I should like to see increased. But if we must compromise we must compromise, and if we do not hold ourselves down to the compromise I do not know when we will get through. Senators have come to me and said, "If you will vote for this proposal I shall offer my proposal." The result will be that we will be back where we were originally. I think we ought to vote down such amendments. We gave the White House what it asked for with one exception, and that is we made a cut from \$16,000 to \$15,000 in the case of the seven assistants. Otherwise it is exactly what was requested.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LONG. I am in sympathy with much of what the Senator has to say. However, I suggest to him that there was an oversight both in the House and in the Senate. Unlike the other Federal workers, these workers are not classified. The others could be increased to \$12,500, under the classification bill as it is proposed to be passed. I am thinking of all the other workers with respect to whom representations have been made by the Senator from Arizona and the Senator from Louisiana. All of them can be taken care of under the classification bill if it is passed.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. JOHNSTON of South Carolina. I invite the attention of the Senator to the fact that these two positions have been created since the bill was intro-



duced in the House and since the committee held hearings. That is the only reason why I would favor adding these two positions.

Mr. McFARLAND. Mr. President, I talked with some of these at the White House, and no one said anything to me about these two men. It was a late hour in the day when they made up their minds that they wanted an increase for these positions. I do not know whether the President wants it or whether he is opposed to it. If we start making additions, I do not know where we will end. I should like to see these workers receive a raise, but we must hold the line or we shall be back where we started.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. SPARKMAN] to the Johnson substitute for the committee amendment.

Mr. SPARKMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. McKELLAR], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. O'CONOR], the Senator from Virginia [Mr. ROBERTSON], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

The Senator from North Carolina [Mr. HOEY] is absent on public business.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. McCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

I announce further that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Montana [Mr. MURRAY], and the Senator from Utah [Mr. THOMAS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], the Senator from New York [Mr. DULLES], the Senator from Massachusetts [Mr. LODGE], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The senior Senator from Indiana [Mr. CAPEHART] and the junior Senator from Indiana [Mr. JENNER] are absent on official business.

The Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Wisconsin [Mr. McCARTHY], the Senator from Kansas [Mr. REED], and the Senator from Maine [Mrs. SMITH] are necessarily absent. If present and voting, the Senator from Maine [Mrs. SMITH] would vote "yea."

The result was announced—yeas 28, nays 26, as follows:

## YEAS—28

Aiken	Johnson, Tex.	Neely
Bridges	Johnston, S. C.	O'Mahoney
Chapman	Kerr	Pepper
Cordon	Langer	Saltonstall
Douglas	Leahy	Sparkman
Green	Lucas	Taylor
Hill	McMahon	Thye
Holland	Magnuson	Withers
Humphrey	Maybank	
Ives	Myers	

## NAYS—26

Anderson	Hickenlooper	Mundt
Butler	Kem	Russell
Byrd	Kilgore	Schoeppel
Donnell	Knowland	Stennis
Ecton	Long	Watkins
Ferguson	McClellan	Wherry
Fulbright	McFarland	Williams
Gurney	Malone	Young
Hayden	Millikin	

## NOT VOTING—42

Baldwin	Gillette	Morse
Brewster	Graham	Murray
Bricker	Hendrickson	O'Conor
Cain	Hoey	Reed
Capehart	Hunt	Robertson
Chavez	Jenner	Smith, Maine
Connally	Johnson, Colo.	Smith, N. J.
Downey	Kefauver	Taft
Dulles	Lodge	Thomas, Okla.
Eastland	McCarran	Thomas, Utah
Ellender	McCarthy	Tobey
Flanders	McKellar	Tydings
Frear	Martin	Vandenberg
George	Miller	Wiley

So Mr. SPARKMAN's amendment to the Johnson substitute for the committee amendment was agreed to.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The amendment to the substitute for the committee amendment is open to further amendment.

Mr. MAYBANK. Mr. President, I have an amendment at the desk in connection with the Federal Reserve Board. It is an amendment which is unanimously recommended by the Committee on Banking and Currency. It provides increases in salaries for the Chairman of the Federal Reserve Board and the Governors of the Federal Reserve Board. The cost to the American taxpayers will be not one cent. The bankers will pay the cost.

Some time ago a similar amendment to the original bill was submitted by the distinguished Senator from Minnesota [Mr. THYE]. I offer this amendment with the unanimous approval of the Committee on Banking and Currency and because of the request of the bankers of

the United States, so that the Federal Reserve Board's prestige may not be impaired.

I ask that my amendment be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina to the substitute for the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 1, after the word "That", insert "(a)".

On page 2, line 2, strike out "and" and insert in lieu thereof a comma and after "Secretary of Defense" insert ", and of the Chairman of the Board of Governors of the Federal Reserve System".

On page 2, between lines 3 and 4, insert a new subsection as follows:

(b) The rate of basic compensation of the members (other than the Chairman) of the Board of Governors of the Federal Reserve System shall be \$20,000 per annum.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina to the substitute for the committee amendment.

Mr. MAYBANK. Mr. President, I realize that the hour is late. I do not intend to discuss the amendment at any length.

Earlier in the day I placed in the RECORD a letter from the bankers of the United States in favor of paying increased salaries to the Chairman and other members of the Federal Reserve Board.

I do not request a yeas-and-nays vote on this amendment; I do not wish to delay the Senate. My only request is that those in charge of the bill take the amendment to conference, because in view of the present monetary situation in the world, I believe that the Federal Reserve Board is of outstanding importance to the welfare of our country and of the world as a whole.

Mr. President, I shall conclude my remarks in a moment because, of course, the hour is late.

I merely wish to state that this amendment is submitted by me with the unanimous approval of the Banking and Currency Committee, after the bankers of the United States and other persons interested in the welfare of the Federal Reserve Board and in the credit of the United States went on record favoring such an increase in the salaries of the members of the Federal Reserve Board, realizing that the Federal Reserve Board and its Governors set the fiscal policies and the policies governing the money exchanges in this changing world.

So I ask that those in charge of the bill take the amendment to conference, and there study it and consult with those who are interested in the welfare of America. Of course it should be pointed out that not a nickel of the taxpayers' money will be used to pay any of these salaries; the salaries of the Board of Governors of the Federal Reserve System are paid by the banks participating in that System.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LANGER. How many of the directors would receive a salary of \$22,500, under the terms of the amendment?



Mr. MAYBANK. Only the Chairman of the Federal Reserve Board.

Mr. LANGER. What does the amendment propose in regard to the salaries of the other members of the Board of Governors of the Federal Reserve System?

Mr. MAYBANK. Under the amendment, only the Chairman would receive a salary of \$22,500. The governors coming from the six or seven districts throughout the United States, who are the Governors of the Federal Reserve System, and who meet in Washington and set the policies, would be paid \$20,000, under the amendment.

Mr. LANGER. Would the Senator mind stating to the Senate in a few words—I realize that the hour is late—just how such increased salaries would be paid without costing the taxpayers of the United States anything?

Mr. MAYBANK. Of course the matter is somewhat involved, because the bankers pay taxes. But the Governors of the Federal Reserve System are paid and the Federal Reserve System is run by means of collections from the banks throughout the United States that participate in the Federal Reserve System and pay certain fees. The bankers of the United States have asked that this increase be made in these salaries; and the bankers pay the fees.

For instance, the banks in North Dakota who participated in the Federal Reserve System pay such fees. The money represented by the fees may be obtained from other sources, but the banks pay the fees.

Mr. LANGER. In other words, under this amendment, the fees charged to the bankers in North Dakota will be increased; is that correct?

Mr. MAYBANK. No; there will be no increase in the fees. In North Dakota there is a great surplus resulting from the payment of such fees. The crops in North Dakota have been good, just as the crops in South Carolina have been.

Mr. LANGER. The whole arrangement sounds like legerdemain, to me.

Mr. MAYBANK. I say to my good friend the Senator from North Dakota that the members of the committee are unanimous about this matter. We have had fairly good crops in the past few years, and we hope we shall have even better ones in future years.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. SALTONSTALL. What is the present salary of the Chairman of the Federal Reserve Board and the other members of the Board of Governors?

Mr. MAYBANK. If this amendment is not adopted, the salary will be \$16,000 a year, according to the compromise.

Mr. THYE. The present salary is \$15,000.

Mr. MAYBANK. The Senator from Minnesota is correct; the compromise for the committee amendment calls for a salary of \$16,000 for these officials of the Federal Reserve System, and that will be the salary which they will receive unless my amendment is adopted.

Mr. THYE. If the compromise substitute for the committee amendment goes into effect, the salaries for these

officials will be \$16,000. However, their present salaries are \$15,000.

Mr. MAYBANK. That is correct. And my amendment will increase their salaries to \$20,000, to be paid by the banks.

Mr. SALTONSTALL. Mr. President, if we adopt the substitute, which calls for salaries of \$16,000 for these officials, the Board of Governors of the Federal Reserve System will be paid salaries in line with the salaries of other officials whose salaries will be increased as a result of this measure. Is that correct? The substitute for the committee amendment called for salaries of \$16,000 for these officials, and now the Senator from South Carolina has proposed an amendment to increase those salaries to \$20,000.

However, if the salaries of the top officials in the executive branch of the Government are to be established at \$17,500, then the Members of the Board of Governors of the Federal Reserve System should not be paid salaries in excess of that amount.

Mr. MAYBANK. I will not say that. Of course, I was presiding at the committee meeting, and did not have a chance to study the proposal to decrease the salaries originally proposed.

I may say that unless my amendment is adopted to the substitute for the committee amendment the salaries for the members of the Federal Reserve Board will be lower than they should be. My amendment would only put their salaries in the category in which they should be, making them comparable to the salaries of the Comptroller General and similar Government officials.

Mr. THYE. Mr. President, this amendment is a good one, and I hope it will be accepted.

Senators perhaps will recall that when I offered the first amendment, the Senator from Georgia [Mr. GEORGE] also expressed the hope that the amendment would be approved. So I certainly hope my colleagues will concur and adopt the amendment.

Mr. McFARLAND. Mr. President, this is just another example of what will happen if we begin to depart substantially from the compromise. Already some Members of the Senate have said that the thing to do is to move to recommit the bill.

We already have entered into a compromise. I do not speak against an increase in the salaries of the members of this particular board or agency, but I point out that we have worked out a compromise, and now it is a question of either putting the compromise into effect or abandoning it.

If we are going to have the compromise, we must adhere to it. Several Senators have said that they have amendments to offer. If we begin to adopt amendments to the compromise, soon we shall find that we have adopted so many amendments to it that we shall have wasted all this time, for at that point we shall find that we are trying to write the bill on the floor of the Senate. If that is to be done, we might just as well begin to consider a motion to recommit the bill.

Mr. LONG. Mr. President, if we are to pass the bill, we shall have to stay as close

as possible to the compromise which has been offered. I am frank to say that a number of Senators who joined in the compromise felt that it was about as far as they would be willing to go in respect to a pay raise bill.

If we begin to add amendments to the compromise—amendments offered first by one Senator and then by another, perhaps in many cases offered by Senators who have no intention of voting for the bill on the final vote—I am fearful that we shall not be able to pass any bill on this subject.

Under the compromise, no one except a few members of the White House group and a mere handful of the persons around the President and the President's Cabinet would receive salaries of over \$15,000, unless they are already being paid more than that.

But this amendment would put the salaries of the members of the Federal Reserve System above the salaries of all other Government employees. So far as I know, everyone who has called upon me regarding the question of increasing the salaries of the officials of the Federal Reserve System is worried, not about offending those officials, but the concern is that they shall not be paid smaller salaries than other Government officials are paid.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MAYBANK. The Senator from Louisiana is absolutely correct. The governors of the Federal Reserve System are not interested in the salaries they are paid, but the bankers of the United States are concerned with the prestige of the Federal Reserve Board throughout the world.

Mr. LONG. I would say that the members of the Board of Governors of the Federal Reserve System already are receiving salaries as large as the salaries of United States Senators. They are receiving salaries larger than most Government salaries; in fact, their salaries are as large as any paid in the Government, except those paid the members of the President's Cabinet. I think that is sufficient for them.

So I think we should agree on a bill which can be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina to the substitute for the committee amendment.

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. SPARKMAN. Mr. President, I have a great deal of sympathy with the statements which have been made about adopting amendments in covering individual cases. At the same time, I understand the position of the able chairman of the Banking and Currency Committee, in asking that the pay increase be given to members of the Federal Reserve Board.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. Just a minute, and I will yield. I want to say, however, inasmuch as the able chairman of the Banking and Currency Committee has



presented the amendment, I feel that in all fairness I should offer an amendment to his amendment, and at this time I move to amend the amendment proposed by the Senator from South Carolina, so as to include, on a parity with members of the Board of the Federal Reserve System, the members of the Board of Directors of the Federal Deposit Insurance Corporation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I offer that amendment at this time.

Mr. MAYBANK. Mr. President, will the Senator yield? The Senator is taking very unfair advantage of me. His amendment was rejected in the committee. I offered this amendment, because the committee had ordered me to do so.

Mr. SPARKMAN. Mr. President, I have the floor. Let me state—

The PRESIDING OFFICER. Just a moment. The clerk will state the amendment. Does the Senator from Alabama have the amendment in writing?

Mr. SPARKMAN. No, I do not; because I do not have the amendment of the Senator from South Carolina in writing.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama to the amendment offered by the Senator from South Carolina.

Mr. SPARKMAN. Mr. President, let me say, with all due deference to the able chairman of the committee, I am not disputing him. What he has said is correct. The matter was brought up in the Banking and Currency Committee at the meeting a few days ago. The chairman will recall I said at the time that if the amendment were offered to include members of the Federal Reserve Board I felt bound to offer one to raise the salaries of the members of the Board of the Federal Deposit Insurance Corporation.

Mr. MAYBANK. The Senator offered the amendment in committee.

Mr. SPARKMAN. I did, and it lost on a tie vote. The amendment offered by the chairman was carried by a vote of 5 to 4. That is the way it was—a tie vote on the amendment affecting the Federal Deposit Insurance Corporation Board and the amendment affecting the Federal Reserve Board carried by a vote of 5 to 4.

Mr. MAYBANK. Mr. President, if the Senator will yield, was any bankers' organization going to pay the money?

Mr. SPARKMAN. Yes. Mr. President, since my good friend, the able Senator from South Carolina has brought it up, let me say that exactly the same people who pay the fees with which members of the Federal Reserve Board are paid, pay a fee with which members of the Federal Deposit Insurance Corporation are paid.

Mr. MAYBANK rose.

Mr. SPARKMAN. Let me finish my statement, please. I want to read to the Senate a telegram from the American Bankers' Association on the subject. It was addressed to me, and I am sure every other member of the Banking and Currency Committee received a similar telegram. Mr. President, may we have

order? I think it is important that Senators hear this telegram.

The PRESIDING OFFICER. The Senate will be in order. All conversation on the Senate floor will cease.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LUCAS. I should like to announce that, the moment we vote on these two amendments, we shall take a recess until tomorrow, provided Senators agree with me to do that. I merely advise Senators to that effect.

Mr. SPARKMAN. Mr. President, I certainly am eager to hurry along, but I do want to read the telegram, and I hope Senators will listen to it. It reads as follows:

WASHINGTON, D. C., September 27, 1949.

HON. JOHN J. SPARKMAN,

*United States Senate:*

In the consideration of H. R. 1689 and S. 498 the American Bankers Association favors the maintenance of parity as to compensation as between the Board of Governors of the Federal Reserve System and the directors of the Federal Deposit Insurance Corporation. Including the Comptroller of the Currency who is a director of the Corporation. The Federal Reserve System and the FDIC and the office of the Comptroller of the Currency are operated without the employment of any Government funds. Maintenance of the Federal Reserve System and the Federal Deposit Insurance Corporation, including the Comptroller of the Currency on a parity basis as to their compensation is very important. If the compensation of the Board of Governors is to be increased then the compensation of the FDIC directors and the Comptroller of the Currency should also be adjusted in order to maintain parity of compensation. The American Bankers Association favors any adjustment of compensation for all three agencies just so parity of compensation is maintained. It is sincerely hoped that Congress will maintain this parity which we believe is in the public interest.

EVANS WOLLEEN, Jr.,

*President, American Bankers Association.*

Mr. President, let me say that at this time members of the Board of the Federal Deposit Insurance Corporation and members of the Federal Reserve Board receive exactly the same pay.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. FERGUSON. The telegram does not necessarily advise that we increase the salaries, does it?

Mr. SPARKMAN. Not at all.

Mr. FERGUSON. It says that if they are increased, the two boards and the Comptroller of the Currency should be on a parity, does it not?

Mr. SPARKMAN. Yes.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAYBANK. With deep respect and admiration for my colleague and associate on the Banking and Currency Committee, I merely want to say I appreciate what he has said about the Federal Deposit Insurance Corporation. I believe in the FDIC. I knew Mr. Crowley when he organized the FDIC. I have only the utmost respect and regard for his thoughts. But I want to remind my distinguished friend from Alabama that

only last year we raised the pay of each member of the FDIC Board \$5,000. The Senator will not disagree with me on that.

Mr. SPARKMAN. That is correct.

Mr. HOLLAND. Mr. President, will the Senator from Alabama yield for a question?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Florida?

Mr. SPARKMAN. I yield.

The PRESIDING OFFICER. The Chair is going to invoke the rule now that a Senator may yield for a question only.

Mr. SPARKMAN. I yield.

Mr. HOLLAND. Mr. President, my question to the distinguished Senator from Alabama is this: Does he not realize that the amendment proposed by the distinguished chairman of the Banking and Currency Committee was drawn up to be offered to, and was designed to apply to the committee substitute, which would have fixed the salaries of Cabinet members at \$25,000 instead of \$22,500, so that the amendment would not accomplish the purpose intended, if adopted as an amendment to the substitute bill which the Senate has now accepted.

Mr. SPARKMAN. Of course, at the time the able Senator drew the amendment, only the committee bill was pending. As I understood, he amended the amendment so as to make it fit the substitute.

Mr. MAYBANK. No; I modified it—

The PRESIDING OFFICER. The Senate will be in order. We shall follow the regular order. The Senator from Alabama has yielded for a question only.

Mr. SPARKMAN. Mr. President, the Senator propounded a question. I have said it is true the amendment was drawn to fit the original bill, but was so modified as to make it applicable as I understand to the substitute. So that, as it now stands, according to my understanding, the Chairman of the Board would get \$22,500 and the members of the Board would get \$20,000 each. I am not asking to change the part relating to the Chairman at all, but what I am proposing to do is to so amend it that the three members of the Federal Deposit Insurance Corporation, one of whom is the Comptroller of the Currency, will draw the same amount of pay the members of the Federal Reserve Board will draw. I do not offer it to affect the Chairman's pay at all.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield for a question.

Mr. MAYBANK. I want to ask the Senator a question. Does the Senator from Florida have the amendment which I offered this morning, or does he have—

Mr. SPARKMAN. I assume he has the amendment which is lying on the table, and the only one which has been printed.

Mr. HOLLAND. Mr. President, may I say for the information of the distinguished Senator that I went to the



legislative clerk and got the amendment which was read, and examined it. The figures in the amendment showed a proposed salary for the Chairman of the Federal Reserve Board of \$22,500, which is identical with the provision for Cabinet officers, and for the members of the Federal Reserve Board, \$20,000. The amendment seems to have been drawn to be offered at the time the committee substitute was presented.

Mr. MAYBANK. The Senator is correct.

Mr. SPARKMAN. Mr. President, the Senator from Michigan [Mr. FERGUSON] was absolutely correct when he said that the recommendation of the American Bankers Association is not necessarily in favor of an increase in salary, but for the maintenance of parity.

I should like to say a word about the responsibilities of the two systems. Many people have the idea that there is a great deal more responsibility on the part of Federal Reserve Board members than there is on the part of Federal Deposit Insurance Corporation members. Just the opposite is true. There are 14,000 banks which are insured under the Federal Deposit Insurance Corporation. The deposits total \$153,000,000,000. They represent the deposits of 9,000,000 Americans. Those are the banks which are under the supervision of the Federal Deposit Insurance Corporation.

Let us see about the examination of the accounts. It is understood that the national banks are examined under the supervision of the Comptroller of the Currency. State banks which are members of the Federal Reserve System are examined by Federal Reserve examiners, but all other nonmember State banks which are insured in the Federal Deposit Insurance Corporation are examined by the Federal Deposit Insurance Corporation's examiners. The Comptroller of the Currency examines 4,937 banks. The Federal Deposit Insurance Corporation examines 6,711 banks. The Federal Reserve Board examines 1,913 banks.

If Senators will look at the House report, they will see that there are only 545 employees of the Federal Reserve Board, with a budget of \$3,357,000. If they will compare that with the Federal Deposit Insurance Corporation, it will be seen that there are twice as many employees, 1,065, with a budget of \$5,546,000. It will be found that there is more work, more responsibility, more banks to supervise, more banks the accounts of which have to be examined, more intimate contact with the average everyday person all over the country, on the part of the Federal Deposit Insurance Corporation, than there is in connection with the Federal Reserve Board, which, after all, does not have intimate contacts with the people, but operates only through the 12 Federal Reserve banks.

Mr. President, I am not arguing against the Federal Reserve Board. I want to make that clear. What the able

Senator from South Carolina has said is correct, that the banks of the country pay for the service out of the fees levied on them. But the same thing is true of the Comptroller of the Currency, and the same thing is true of the Federal Deposit Insurance Corporation. I simply say to the Senators that the American Bankers Association, which works with these organizations and with the banks, recommends that parity be maintained among the three different agencies having to do with banks.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. In a moment.

I say that, measured in any way we want to measure it, the Federal Deposit Insurance Corporation is certainly entitled at least to parity with the Federal Reserve Board. That is all my amendment seeks to accomplish.

I now yield to the Senator from Arizona.

Mr. McFARLAND. The truth of the matter is that the people who borrow the money pay for it, do they not?

Mr. SPARKMAN. It is paid for by fees levied on the banks.

Mr. McFARLAND. The banks get their money from people who borrow money from them, do they not?

Mr. SPARKMAN. If interest is earned, of course.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. McCLELLAN. Will the Senator please state what he is recommending in his amendment?

Mr. SPARKMAN. I am recommending that the same treatment be accorded the members of the Federal Deposit Insurance Corporation, the three Directors, as will be accorded the members of the Federal Reserve Board. If, under the amendment of the Senator from South Carolina, Senators are going to vote for the Maybank amendment, then they should vote for my amendment. I do not ask Senators to support my amendment and not support the amendment offered by the Senator from South Carolina, but I ask for parity. The Maybank amendment would give \$22,500 to the Chairman of the Federal Reserve Board and \$20,000 to each member. I am not asking to disturb the chairmanship, but I think we should give \$20,000 to each Director of the Federal Deposit Insurance Corporation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAYBANK. I desire to make it very clear to the Senate tonight that there is no Maybank amendment. I never suggested any increase for any Government employee or anyone else. I offered the amendment as the chairman of the Banking and Currency Committee, in the name of the committee. I offered it because the committee asked me to offer it, not because I wanted to

do it, because I was against the bill when it came to the Senate. I thought it was outrageous in the increases for which it provided. I offered the amendment purely and simply because the committee asked me to offer it.

The PRESIDING OFFICER. The Senator from Alabama has the floor and he yielded only for a question.

Mr. MAYBANK. Mr. President—

SEVERAL SENATORS. Vote! Vote!

Mr. MAYBANK. Mr. President, I have great affection for the Senator from Alabama, and I have nothing against the Federal Deposit Insurance Corporation. I have nothing against the Senator's amendment, but the amendment which I offered was offered because the committee asked me to offer it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama to the amendment offered by the Senator from South Carolina. (Putting the question.)

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the amendment offered by the Senator from South Carolina. (Putting the question.)

The amendment was rejected.

Mr. LUCAS. Mr. President, may I inquire as to the number of amendments that remain?

Mr. FERGUSON. The junior Senator from Michigan has one.

Mr. LUCAS. The Senator from Arkansas has one, and the Senator from Michigan has one—

Mr. BRIDGES. The Senator from New Hampshire has three.

Mr. WHERRY. Mr. President, I checked a moment ago, and there are seven or eight amendments.

The PRESIDING OFFICER. There are 16 amendments on the table.

#### RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 12 o'clock midnight), the Senate took a recess until tomorrow, September 29, 1949, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate September 28 (legislative day of September 3), 1949:

##### DIPLOMATIC AND FOREIGN SERVICE

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Jacob D. Beam, of New Jersey

John F. Huddleston, of Ohio.

Charles F. Knox, Jr., of New Jersey.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Walter P. McConaughy, of Alabama.

William A. Smale, of California.  
Kenneth J. Years, of the District of Columbia.

William C. Affeld, Jr., of Minnesota, now a Foreign Service officer of class 4 and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named persons, now Foreign Service officers of class 5 and secretaries in the diplomatic service, to be also consuls of the United States of America:

David I. Ferber, of Arizona.  
Merlin E. Smith, of Ohio.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

Joseph Leeming, of Massachusetts.  
E. Wilder Spaulding, of Connecticut.  
William D. Wright, of Tennessee, a Foreign Service reserve officer, to be a consul of the United States of America.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Robert C. Johnson, Jr., of Pennsylvania.  
George D. Whittinghill, of New York.

COLLECTOR OF CUSTOMS

James E. Manahan, of St. Albans, Vt., to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt. (Reappointment.)



# H. R. 1689

---

## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. CAIN to the amendment (in the nature of a substitute) intended to be proposed by Mr. JOHNSON of Colorado (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: On page 2, between lines 20 and 21, insert a new subsection as follows:

1       (c) (1) The compensation of Senators, Representa-  
2 tives in Congress (other than the Speaker), Delegates from  
3 the Territories, and the Resident Commissioner from Puerto  
4 Rico shall be the same as the compensation of the heads of  
5 the executive departments.

6       (2) Subsection (b) of section 601 of the Legislative  
7 Reorganization Act of 1946 is hereby repealed.

---

## AMENDMENT

---

Intended to be proposed by Mr. CAIN to the amendment (in the nature of a substitute) intended to be proposed by Mr. JOHNSON of Colorado (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 28 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed



# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed

---

## AMENDMENT

Intended to be proposed by Mr. McMAHON to the amendment (in the nature of a substitute) intended to be proposed by Mr. JOHNSON of Colorado (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz: On page 6, between lines 5 and 6, add a new subsection as follows:

- 1       The rate of basic compensation of the Chairman of the
- 2 Atomic Energy Commission shall be \$22,500 per annum
- 3 and the rate of basic compensation of the members of the
- 4 Atomic Energy Commission other than the Chairman shall
- 5 be \$20,000 per annum.

81ST CONGRESS  
1ST SESSION

# H. R. 1689

## AMENDMENT

Intended to be proposed by Mr. McManis to the amendment (in the nature of a substitute) intended to be proposed by Mr. Johnson of Colorado (for himself and other Senators) to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

SEPTEMBER 28 (legislative day, SEPTEMBER 3), 1949

Ordered to lie on the table and to be printed



# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28 (legislative day, SEPTEMBER 3), 1949

Ordered to be printed

---

## AMENDMENT

Proposed by Mr. FLANDERS to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, viz:  
At the end of the bill add a new section as follows:

1        SEC.    . (a) The compensation of Senators, Repre-  
2        sentatives in Congress (other than the Speaker), Delegates  
3        from the Territories, and the Resident Commissioner from  
4        Puerto Rico shall be at the rate of \$22,500 each.

5        (b) Subsection (b) of section 601 of the Legislative  
6        Reorganization Act of 1946 is hereby repealed.

7        (c) This section shall take effect on the first day of  
8        the second regular session of the Eighty-first Congress.

81ST CONGRESS  
1ST Session

# H. R. 1689

---

## AMENDMENT

---

Proposed by Mr. FLANDERS to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

---

SEPTEMBER 28 (legislative day, SEPTEMBER 3), 1949

Ordered to be printed









H. R. 1746. An act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes;

H. R. 1794. An act for the relief of Cohen, Goldman & Co., Inc.;

H. R. 1800. An act for the relief of Howard E. Giroux;

H. R. 2015. An act to authorize the Secretary of Agriculture to convey and exchange certain lands and improvements in Grand Rapids, Minn., for lands in the State of Minnesota, and for other purposes;

H. R. 2075. An act for the relief of Frank G. Moore;

H. R. 2418. An act to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in the Eglin Field Reservation;

H. R. 2437. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947;

H. R. 2457. An act for the relief of Helen Morren;

H. R. 2538. An act to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time;

H. R. 2619. An act to extend the benefits of the annual and sick-leave laws to part-time employees on regular tours of duty and to validate payments heretofore made for leave on account of services of such employees;

H. R. 2678. An act to amend section 5 of the act approved July 10, 1890, as amended, relating to the admission into the Union of the State of Wyoming, so as to permit the leasing of school lands within such State for mineral purposes for terms in excess of 10 years;

H. R. 2876. An act to effect an exchange of certain lands in the State of North Carolina between the United States and the Eastern Band of Cherokee Indians, and for other purposes;

H. R. 2921. An act for the relief of Nicholas C. Kalcoutsakis;

H. R. 2928. An act for the relief of Dr. Leon L. Konchegul;

H. R. 2944. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act;

H. R. 3252. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek;

H. R. 3405. An act for the relief of Vivian Newell Price;

H. R. 3413. An act for the relief of Alfred Baumgarts;

H. R. 3420. An act to authorize the exchange of wildlife refuge lands within the State of Washington;

H. R. 3499. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Mabel Collier;

H. R. 3534. An act for the relief of Eleanor P. Simmonds, as administratrix of the estate of Norman B. Simmonds, deceased;

H. R. 3618. An act for the relief of the legal guardian of Marcia Moss Carroll, a minor, and Charles F. Carroll;

H. R. 3810. An act for the relief of Cecil E. Gordon;

H. R. 3863. An act for the relief of Carl C. Ballard;

H. R. 3864. An act to convey certain lands taken from W. W. Stewart by the United States;

H. R. 3926. An act to rename a game sanctuary in the Harney National Forest as

the "Norbeck Wildlife Preserve," and for other purposes;

H. R. 4050. An act to authorize advances of pay to personnel of the armed services upon permanent change of station, and for other purposes;

H. R. 4165. An act for the relief of Katherine H. Clagett;

H. R. 4186. An act for the relief of Jan Liga;

H. R. 4306. An act for the relief of Zora B. Vullich;

H. R. 4556. An act for the relief of the estate of Elmo Sodergren;

H. R. 4563. An act for the relief of Mrs. Sarah E. Thompson;

H. R. 4564. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines;

H. R. 4585. An act to authorize the purchase of additional farming land for Leavenworth Penitentiary;

H. R. 4767. An act to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes;

H. R. 4777. An act for the relief of J. D. Lecky;

H. R. 4792. An act for the relief of Harry Fuchs;

H. R. 4829. An act to authorize the President to appoint Paul A. Smith as representative of the United States to the Council of the International Civil Aviation Organization without affecting his status and perquisites as a commissioned officer of the Coast and Geodetic Survey;

H. R. 4875. An act to amend title 28 of the United States Code relating to travel-expense allowances for Government employee witnesses;

H. R. 4889. An act for the relief of Mrs. Jack J. O'Connell;

H. R. 4943. An act to amend the act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes;

H. R. 4986. An act to amend an act entitled "An act to provide for the adjustment of irrigation charges on the Flathead Indian irrigation project, Montana, and for other purposes," approved May 25, 1948;

H. R. 5007. An act to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes;

H. R. 5299. An act for the relief of Mrs. Giovanna Folio Discepolo;

H. R. 5342. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts;

H. R. 5953. An act for the relief of Max Schlederer;

H. R. 5375. An act for the relief of Mrs. Hilda De Silva;

H. R. 5465. An act to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 5539. An act for the relief of Mrs. Claudia Weitlaner;

H. R. 5582. An act for the relief of the Belle Isle Cab Co., Inc.;

H. R. 5598. An act to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the

terms "line of duty" and "willful misconduct";

H. R. 5773. An act to authorize the carrying out of the provisions of article 7 of the treaty of February 3, 1944, between the United States and Mexico, regarding the joint development of hydroelectric power at Falcon Dam, on the Rio Grande, and for other purposes;

H. R. 5777. An act for the relief of Joe D. Dutton;

H. R. 5851. An act for the relief of Mrs. Toshiko Keyser;

H. R. 5895. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations;

H. R. 6006. An act for the relief of Anthony Charles Bartley; and

H. R. 6022. An act to increase the rates of compensation of certain employees of the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes.

#### INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS

The Senate resumed the consideration of the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

Mr. WHERRY. Mr. President, it is the understanding that we are about to take up the McClellan amendment. Therefore, I now suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Morse
Bricker	Hoey	Mundt
Bridges	Holland	Murray
Butler	Humphrey	Neely
Byrd	Ives	O'Connor
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnson, Tex.	Pepper
Connally	Johnston, S. C.	Reed
Cordon	Kem	Robertson
Donnell	Kerr	Russell
Douglas	Kilgore	Saltonstall
Downey	Knowland	Schoeppel
Eastland	Langer	Smith, Maine
Eaton	Leahy	Sparkman
Ellender	Long	Stennis
Ferguson	Lucas	Taft
Flanders	McCarthy	Taylor
Frear	McClellan	Thomas, Okla.
Fulbright	McFarland	Thomas, Utah
George	McKellar	Thye
Gillette	McMahon	Tobey
Green	Magnuson	Watkins
Gurney	Malone	Wherry
Hayden	Maybank	Williams
Hendrickson	Miller	Withers
Hickenlooper	Millikin	Young

The PRESIDENT pro tempore. A quorum is present.

Mr. McCLELLAN. Mr. President, I call up an amendment which I have on the table and ask that it be stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 6, after line 15 of the substitute amendment for the committee amendment, it is proposed to insert a new section, as follows:

That, in addition to the budget required to be transmitted to Congress by the President under section 201 of the Budget and Accounting Act, 1921, as amended, the President shall transmit to Congress on the first day of the second regular session of the Eighty-first Congress a balanced budget for the fiscal year ending June 30, 1951, which shall set forth in summary and in detail (1)



estimates of the receipts of the Government during such fiscal year under laws existing at the time such budget is transmitted, and (2) estimates of expenditures, not in excess of such receipts, for the support of the Government for such fiscal year under laws so existing.

Mr. McCLELLAN. Mr. President, this amendment is identical with Senate Joint Resolution 131 which I introduced on the 23d day of September. I may say that other Senators have joined with me as cosponsors in offering the amendment. They are the junior Senator from Michigan [Mr. FERGUSON], the senior Senator from Virginia [Mr. BYRD], both Senators from Mississippi, and possibly other Senators. But those of us who are interested in this amendment and who sponsor and offer it as an amendment to the bill, feel that the fiscal situation of the Government is such that, although it may be unpleasant, yet it is the duty of the Congress to begin giving it serious consideration, and not only to think about it, but to try to do something about it.

Mr. President, I shall not take much time to discuss this. It is quite simple and easily understood. We have had economy discussions during this session of the Congress on other measures and on other amendments to various bills, and we all know what the facts are. I say, however, that since the general economy resolution—Senate Joint Resolution 108—was introduced throughout the consideration of it and discussion of it from time to time, the situation with respect to a deficit in our finances has not improved. It has definitely become more aggravated. In other words, the best estimates at this time are that we shall have at least a \$5,000,000,000 deficit this fiscal year. That is the most conservative figure that is generally mentioned. There are those who anticipate a much larger deficit during this fiscal year. Some very competent observers foresee a deficit of six to eight billion dollars.

At the time the joint resolution—Senate Joint Resolution 108—was first presented it was anticipated that the deficit would be in the neighborhood of \$3,000,000,000. It is now quite apparent that the deficit will greatly exceed that amount, with no prospect—and I say this without fear of successful contradiction by anyone—with no immediate prospect in sight that the situation will improve to any extent whatsoever during the following fiscal year. Therefore we are simply driving in the direction of a tremendously increased public debt and setting a standard of living for the Government which our revenues, under present tax laws, will not support. I do not believe that even an increase in the rate of taxation will be adequate to meet the operating costs of government during the next fiscal year on the basis of present spending.

So, Mr. President, I have conscientiously felt, and I believe many other Members of this body agree with me, that the whole responsibility for the fiscal affairs of the Government does not rest alone upon the Congress. I think the President must share and must accept some of the responsibility, though

I concede the Congress does have the final responsibility. But we try to work co-operatively with the President and with the executive branch of the Government, and therefore we have enacted laws to require the President of the United States annually to submit to the Congress a budget of expenditures and of anticipated receipts as a guide to the Congress and as information to the Congress in order to enable it to make proper and adequate appropriations, and also to know how much money will be available for expenditure to meet the operating expenses of government.

This amendment simply provides that the President shall submit a budget in which he writes out the nature of the expenditures and sets out in one column, for instance, an expenditure for forestry for the Department of Agriculture or for some other item, and then in the next column indicates the amount which he recommends should be appropriated for that purpose. To carry out this amendment it would be necessary only to add another column to the budget. When the President sends in his regular budget, with the recommendations as to expenditures, the purpose of the amendment is, to have him submit along with the budget he recommends a balanced budget, as he would balance it if the Congress were unwilling to authorize deficit spending. That is all it means. It would simply mean another column in the regular annual budget and if in order to balance the budget he would not make a particular expenditure, he would omit it from that column, and if he would make it, he would insert the figure in both columns.

Therefore when the budget comes to the Congress, we will have not only what we now have—that would not be interfered with at all; we will have the same character of budget we have now—but we will also have another column, in which certain expenditures will be omitted in order to show how we can balance the budget if the Congress does not want to indulge in deficit spending.

Mr. President, what would be furnished would be a source of information to the Congress. It would be counsel from the source from which we get advice all the time with reference to expenditures. It would be counsel and information from that agency of the Government which the Congress has created to do this very job. I have maintained all along that the Bureau of the Budget is competent and should be able to indicate to the Congress those expenditures which are least essential and those which are most essential, or indispensable. Therefore it would be a guide to the Congress and to the Appropriations Committees in trying at least to hold down expenditures. It would not be binding upon the Congress any more than the existing budget is binding, but it would serve as a guide, it would serve as an indication, it would be an expression of the judgment of the Bureau of the Budget as to where cuts could best be made and interfere least in essential governmental services.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield.

Mr. JOHNSTON of South Carolina. Speaking of reports such as that suggested by the Senator in his amendment, a great many States of the Union do have a similar practice. In case the appropriations amount to more than the revenues, the governors of the States have a right to include and designate some expected revenue which they hope the legislatures will provide for. Why does not the Senator put such a provision as that in the amendment, and put some responsibility on the House and the Senate to raise revenue to balance the budget? That is the only objection I see to the amendment.

Mr. McCLELLAN. Of course, the President sends in messages repeatedly with reference to tax legislation, and there is no occasion to have the recommendations put in the budget. He might desire to revise them at any time.

I merely wish to have Congress get the advantage of the thinking of the administration, of the Budget Bureau itself, when it prepares the budget, as to what items in the budget are the least necessary, and can be dispensed with if the Congress is to make cuts.

Mr. JOHNSTON of South Carolina. I am not talking against the Senator's amendment at this particular time; I am merely asking for information, as to whether what I have suggested should not also be included.

Mr. McCLELLAN. There is nothing to keep the President from recommending an increase in taxes at any time.

Mr. FERGUSON. Mr. President, is there not impliedly included in such a provision what Congress should do in raising the revenue?

Mr. McCLELLAN. Certainly.

Mr. JOHNSTON of South Carolina. The amendment refers to the existing law, and that implies that if the President merely carried out what is suggested by the Senator, he would not suggest an increase in taxes.

Mr. McCLELLAN. The amendment also requires an estimate of the receipts.

Mr. JOHNSTON of South Carolina. Under existing law.

Mr. McCLELLAN. Yes; under whatever laws exist at the time.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from Louisiana.

Mr. LONG. I have discussed this matter with the Senator from Arkansas, and there is much logic in what he has to say. We have not had a chance to fully study the amendment. It is not completely relevant to the bill, and if it looked as though it would kill the bill, I would not agree to it, but I believe it might be a suggestion that would be of benefit, and I am willing to take the amendment to conference.

Mr. McCLELLAN. I am glad the Senator agrees to take it to conference. I am sincere about the amendment, and I hope that in conference the Senator will give it the same serious consideration with which I plead for the amendment now. I shall expect the Senate conferees to retain this provision in the bill.



Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to to yield to the majority leader.

Mr. LUCAS. As I understand, under the amendment, in addition to the budget transmitted under section 201 of the Budget and Accounting Act, as amended, the President, would transmit to Congress a balanced budget for the fiscal year ending June 30, 1951.

Mr. McCLELLAN. That is correct; it does not go beyond that date.

Mr. LUCAS. What would be the Senator's position in the event that the Congress of the United States should oversubscribe the budget by half a billion dollars, we will say? In other words, the President submits a budget in line with what the President thinks is correct, but the Congress oversubscribes it half a billion or a billion dollars. That is not unusual in the Congress, as the Senator knows. What position would the Senator take about our attempting to act on that half-billion- or billion-dollar oversubscription by the Congress?

Mr. McCLELLAN. Mr. President, if I understand the question of the able majority leader, I may say that the Congress may well appropriate more than the balanced budget figure. I anticipate we probably may have to do so for the next 2 or 3 years. But this amendment would merely enable us to make all the cuts we possibly could make, with the advice and counsel of the Bureau of the Budget as to where cuts could be made and interfere the least with the essential United States Government services.

Mr. LUCAS. That does not quite answer my question. We will assume the President of the United States sends to Congress a balanced budget for the year ending June 30, 1951, under the present law. Congress does not pay any attention to what the President says with respect to a balanced budget, but proceeds, after hearings before committees on various and sundry bills, to bring in, not a balanced budget, but a budget unbalanced to the extent of three-quarters of a billion dollars. What would the Senator from Arkansas recommend with respect to raising that three-quarters of a billion dollars in order to keep the budget balanced, as the Senator from Arkansas wants done, and as everybody else wants done?

Mr. McCLELLAN. If we can ever get the deficit down, and the expenditures of the Government down, to such a point that I can foresee that by increasing taxes we will be able to balance the budget, I shall be ready to increase taxes, but I am unwilling to continue to increase taxes, and keep pyramiding taxes upon taxes, until we take at least a part of the other necessary step, namely, to cut expenditures, because if expenditures keep rising above any taxes we can raise, there is no hope ever of a balanced budget. If I can see that by raising taxes and holding down expenditures we can balance the budget, I shall be ready to raise taxes.

Mr. LUCAS. If I understand the Senator correctly, under that set of facts he would be willing to support a tax bill

which would take care of any increase the Congress of the United States thought was necessary over and above the balanced budget that was sent to the Congress by the President of the United States.

Mr. McCLELLAN. I cannot make a committal without reservations, but I will say to the Senator that I would be concerned about it to the extent that I would be willing to see taxes raised in an effort to meet the situation. I cannot say how much of a raise there would be, or where the particular increase in taxes should be applied, but I am sincere about this. I do not believe we can ever balance the budget again except by two means. We have to work from both ends of the line. We are ultimately going to have to increase taxes, that seems inevitable; but we must work from the other end, too, and bring expenditures down and endeavor to make the two things meet. Otherwise we will never be able to raise taxes sufficiently to overtake the continuing and ever-increasing high costs of Government.

Mr. LUCAS. Mr. President, I do not altogether disagree with the able Senator from Arkansas, but the question raised by the Senator from South Carolina [Mr. JOHNSTON] is an important one, in view of the wording of the amendment. For a long time I have watched Congress at work, as has the Senator from Arkansas, and when pressure is exerted on Congress, whether it be for a postal pay increase bill, or a military pay increase bill, or a civil-functions bill, or some other bill in which Members of Congress are vitally interested, they do not have any hesitancy in voting additional appropriations, regardless of what the budget may be. It seems to me that if the Senator is sincere—and of course I know he is sincere in what he is attempting to do here—it would be absolutely consistent with his position to see to it that Congress never appropriated a dime more than the balanced budget submitted by the President of the United States. If Congress did appropriate more than the balanced budget submitted by the President, the Senator would be in a position to say, "All right, if Congress appropriates more than the balanced budget I am willing to do anything that is necessary in the way of increasing taxes to take care of the additional amount the Congress has appropriated."

Mr. McCLELLAN. Mr. President, I think there is merit in what the able Senator from Illinois has said. I think I have stated my position clearly. There are limits to raising taxes beyond which we should not go. It is not merely a matter of the tax rates; it is a matter of revenues that will be produced. If increased revenues would not be produced by imposition of a higher tax rate, it would be inadvisable to impose a higher tax rate. I wish to point that out clearly. But so long as taxes can be raised to produce increased revenues to meet the necessary cost of Government, and while the Government is operating as economically as it can operate to carry on the essential serv-

ices, I believe we ought to raise taxes to meet any additional cost, and not continue to operate at a deficit.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MILLIKIN. It is conceivable, is it not, that the raising of taxes might be a fatal thing to the economy of the country, under some circumstances?

Mr. McCLELLAN. That is what I have said. That is something which must be taken into account when the question is considered.

Mr. MILLIKIN. When the economy of the country is in a certain condition, particularly if the country is in a state of recession, an increase in taxes might very well plunge us from a recession into a real depression, might it not?

Mr. McCLELLAN. I think there is that possibility. There may be a strong probability of it. I believe the matter of raising taxes has to be considered under the economic conditions which exist at the time. If such taxes as are now imposed were imposed in a period of depression, such as we had along in the 1930's, it might aggravate the depression and paralyze our economy.

Those are circumstances which must be considered from year to year as we deal with the fiscal affairs of our Government both in making expenditures and also in raising revenues.

Mr. MILLIKIN. Mr. President, I think the distinguished Senator made a very wise observation a while ago to the effect that taxes, if I understood the Senator correctly, have a direct relationship to the state of our economy. What we want is a healthy economy which can produce the revenue we need, and when we impose taxes under such circumstances as to destroy a healthy economy we are multiplying our difficulties at both ends of the problem.

Mr. McCLELLAN. That is the point I made; that an increase in rates does not necessarily produce additional revenue.

Mr. MILLIKIN. Mr. President, will the Senator further yield?

Mr. McCLELLAN. I yield.

Mr. MILLIKIN. An increase in the tax rate may produce the same result here as has been produced in Great Britain, where the government has destroyed the source of capital, where there is not enough venture capital to supply the machines to increase the production of the workers so as to compete in the markets of the world.

Mr. McCLELLAN. Mr. President, I am sure many of us feel deep concern about the trend of our Government, and I think we all feel a pretty strong sense of individual responsibility about it. We may have different views about some particular measures, of course. That is only natural. But I do believe that it is imperative—and I say that advisedly—I say the situation makes it imperative that the Congress and the President give their best in statesmanship to deal effectively with this problem.

Mr. MILLIKIN. I agree entirely with the Senator.



Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. LUCAS. In view of what the able Senator has said with respect to certain conditions existing in the country at a time, which would make it dangerous to raise taxes—and I subscribe to that theory—I ask the Senator if it is not true that the same conditions may exist, which would make it almost impossible for the President to send to the Congress at the end of each fiscal year a balanced budget.

Mr. McCLELLAN. I agree with the Senator, and I point out to the Senator that my proposal is an experiment. The amendment provides that this be done for only one year. Let us try it. Let us see if it will be helpful to us. Let us see if by having a budget submitted to Congress in that manner it will help the Congress, and help to inform the Congress as to how to economize, so far as possible.

Mr. LUCAS. The able Senator from Arkansas is proceeding on the theory that a certain situation will exist at a particular time. I am glad the Senator from Colorado raised the question he did, because it fits hand in glove with the situation involved in the Senator's amendment, as I see it, because if the Senator's amendment should become law, no one will be able to know in advance what the conditions in the country may be when the President sends up a so-called balanced budget.

Mr. McCLELLAN. Mr. President, I will say to the Senator that, of course, if the country should meet with a catastrophe before that time, and it would be impossible to submit a balanced budget, or if we were near to such a situation it is time to do something about it. It would then be more necessary to do something about it than even I have emphasized this afternoon.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MILLIKIN. If the cold war warms up it might become impossible to balance the budget. But as I understand the Senator's amendment, it would show where the cutting would have to be made, if it was thought possible to make a cut.

Mr. McCLELLAN. Exactly.

Mr. MILLIKIN. There would be no mandate on Congress to do it. Is that not correct?

Mr. McCLELLAN. That is correct. And it would not impede or hinder the President in any way in submitting the budget which he conscientiously feels ought to govern the Congress in making appropriations.

Mr. MILLIKIN. When the Congress looks at the budget, if it would be apparent that in order to balance the budget it would be necessary to cut the guts out of the military program, that would be the question in our decision at that time, would it not?

Mr. McCLELLAN. Yes.

Mr. President, we have got to do something about this excess spending, and this amendment is one way to begin doing something about it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LONG. It might also mean that Congress could do it in some other way. It might be that the President would think that the arms implementation program was more important than the public works program of the United States, and it might be that Congress would want to look at the situation to see whether it thought the public works program was more important than the arms implementation program. The President should indicate perhaps where the cut could best be made.

Mr. McCLELLAN. Let us consider the present fiscal year, for example. It is perfectly obvious that expenditures are going to exceed revenues. I am not trying to absolve the Appropriations Committee or the Congress from any responsibility they have. But, after all, it is the President who recommends and requests the Congress to appropriate money for the executive department to spend. Therefore, I do not think it imposes any undue burden upon the President or upon the Bureau of the Budget, to make such recommendations, nor do I believe it places undeserved responsibility upon the President to have him indicate to the Congress where, if we are going to make cuts, it would be advisable and less hurtful to make them.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. FERGUSON. Does not the Senator feel that this is merely an attempt by Congress to obtain the expert advice of the President and the Budget Director?

Mr. McCLELLAN. That is exactly right. That would be the result.

Mr. FERGUSON. The amendment proposes that the President give his expert opinion as to where cuts could be made, if revenues do not equal expenditures. Congress may disagree with the President's opinion. Congress may say that it believes a cut ought to be made somewhere else than the President suggests. But we would have in advance his expert opinion as to how the budget could be balanced, if it were to be balanced, for the best interest of the Nation. Is not that correct?

Mr. McCLELLAN. That is correct. Let me say to the Senator that, of course, the Congress could ignore the budget or any part of it if it wished to do so. It can do that now.

Let me point out to the Senate how much we have come to rely upon the Bureau of the Budget for counsel about the fiscal policies of the administration. When a public-works project, a flood-control project, or a public-building project is sought to be authorized in a bill, before the Congress acts upon it, nine hundred and ninety-nine times plus out of a thousand that project has been submitted to the Bureau of the Budget, and the Bureau of the Budget advises whether the construction or authorization of the project is within the policies of the President. That has considerable influence upon the Congress.

We frequently turn down projects because the Bureau of the Budget does not approve them.

Mr. FERGUSON. That happens almost daily in the Appropriations Committee.

Mr. McCLELLAN. Not only in the Appropriations Committee but also in the legislative committees. Certainly it happens in the Public Works Committee. We have come to rely upon the Bureau of the Budget. It is the best source of information we have, and, therefore, I believe that we should have the advantage of further counsel from that source.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. SALTONSTALL. I should like to ask one question. If the Senator has already covered the subject, I hope he will not repeat. I have not been present to hear all his remarks.

I have in mind that in the budget message this year the President included \$400,000,000 to cover the pay increases of the military. That was not existing law at the time, but he included it as a part of his budget. Assuming that the Senator's amendment becomes law, how would an item like that be handled?

Mr. McCLELLAN. The President would submit it just as he has always done. He submits the budget just as he wants it; but he would be required to submit another budget along with it.

Mr. SALTONSTALL. If he wished to do so, he could include the item in his balanced budget as a part of the appropriations which he thought should be made.

Mr. McCLELLAN. He could.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. McCLELLAN].

Mr. LUCAS. Mr. President, I have no objection to the amendment.

The PRESIDENT pro tempore. Without objection, the amendment to the amendment is agreed to.

The committee amendment is open to further amendment.

Mr. FERGUSON. Mr. President, on behalf of the Senator from Arkansas [Mr. McCLELLAN], the Senator from New Hampshire [Mr. BRIDGES], and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Michigan will be stated.

The LEGISLATIVE CLERK. At the end of the substitute it is proposed to insert the following new section:

Sec. 8. (A) With a view to bringing the estimated Federal expenditures within estimated Federal receipts for the fiscal year ending June 30, 1950, the President is authorized and directed to make such reductions in the amounts to be expended by all agencies from any and all appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress, for expenditure in such fiscal year, as will in the aggregate equal not less than 5 percent nor more than 10 percent of the total amounts estimated for expenditure in the budget for the fiscal year 1950 by all agencies, as adjusted to conform with the total amounts estimated for expenditure



under appropriations and funds actually made available prior to the expiration of such session: *Provided*, That any reduction in amounts estimated for expenditure brought about as a result of reductions made by Congress in the aggregate appropriations and funds made available to any agency below the aggregate of estimates submitted in said budget (including amendments thereto) for such agency, shall be used for the purpose of computing (1) the aggregate reduction required to be made under this section, and (2) the over-all limitations specified in this section with respect to such agency; and in carrying out this section the President is requested to give appropriate consideration to reductions made by Congress in the appropriations and funds made available to any agency.

(B) As used in this section—

(1) The term "appropriations and funds made available" shall include the amount of any borrowing authority estimated for in the budget for the fiscal year 1950; and

(2) The term "agency" means any executive department, independent establishment, or corporation which is an instrumentality of the United States.

(C) In order to accomplish the reductions in expenditures required by this section, the President is authorized to direct any officer in the executive branch of the Government to refrain from creating, notwithstanding any other provision of law, any obligation or commitment which would require an expenditure during the fiscal year 1950, under any appropriation, fund, contract authorization, or borrowing authority over which such officer exercises administrative control, in such amounts as he may deem necessary. No such officer shall create any obligation or commitment under any borrowing authority which would require an expenditure during the fiscal year 1950 in excess of any estimate included in the budget (or in excess of any estimate under any authority included in any act of Congress enacted after the submission of the budget for the fiscal year 1950) with respect to such obligation or commitment for such fiscal year or in excess of any amount established by direction of the President under the authority contained in this section; except that the President is authorized to waive the prohibition contained in this sentence in individual cases upon the happening of some extraordinary emergency or unusual circumstance.

(D) Such reductions shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficient operation of the Government.

(E) No reduction of expenditures required herein shall have the effect of reducing by more than 20 percent the estimated expenditures by any agency from appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress.

(F) The President shall cause (a) the total amounts estimated for expenditure in the fiscal year 1950 (adjusted as provided in subsection A), (b) the amount of the reduction directed by him in obligations or commitments (as provided in subsection C), and (c) the amount of the reduction in each appropriation or fund account, to be certified to the Secretary of the Treasury, and shall make a detailed quarterly report thereon to the Congress within 15 days after the expiration of each calendar quarter during such fiscal year. The amounts so certified shall not be expended, or, in the case of contract authorizations and borrowing authority, the authority shall not be exercised to the extent of the reduction. The President shall also include in the quarterly report to Congress the actual figures showing the number of Federal employees at the beginning of the quarter and the estimated number of Federal employees at the close of the quarter.

Mr. FERGUSON. Mr. President, I shall not unduly consume the time of the Senate in explanation or argument on behalf of this amendment. I am glad to state that the senior Senator from Arkansas [Mr. McCLELLAN] and the senior Senator from New Hampshire [Mr. BRIDGES] join me in offering this amendment. I was glad to be associated with the able senior Senator from Arkansas in connection with the previous amendment, because I believe it is a step in the right direction, in order that Congress may have advice from the executive branch prior to the submission of appropriation bills, and the opinion of the President as to a balanced budget.

The provisions of this amendment are altogether clear to the Senate, I am sure. It embodies the terms of Senate Joint Resolution 108, the so-called McClellan resolution. That resolution is in effect the culmination of several bills which were introduced early in the session in order that the budget might be balanced, and in order that the Congress might reach the point where it could ascertain the revenues and expenditures with a view to balancing the budget. The amendment has been modified in accordance with the suggestion of my distinguished colleague from Michigan [Mr. VANDENBERG], to provide for the recognition of any reduction from budget estimates which might be made by the Congress in its appropriations.

The McClellan resolution, whose terms are embodied in this amendment, was reported from the Senate Committee on Expenditures in the Executive Departments as a bipartisan resolution, with the names of 30 Senators affixed to it as sponsors. I was glad to be one of the sponsors. It was the same resolution which 63 Senators, by petition, sought to bring before the Senate for action. Its terms were those which were approved August 29 by a record vote, 49 Senators voting in favor of it, with 9 of the 19 absent Senators either paired or declared for it, when it was offered as an amendment to the military appropriation bill. However, it failed of adoption at that time because it was held to be subject to a point of order, being legislation on an appropriation bill, and therefore requiring a two-thirds vote. It did receive the vote of a clear majority of this body, however.

Mr. President, because of the Rules of the Senate, appropriation bills may not contain legislation unless the legislation is approved by a two-thirds vote. That was the reason for the requirement of a two-thirds vote in connection with that amendment. However, no such rule applies to an amendment to the pending legislation. The amendment is now before the Senate, like any amendment to any legislative measure, and only a majority vote is required to enact the amendment into law.

Just as the terms of this amendment are familiar to Senators, I am sure that the arguments regarding it are also familiar. However, I should like to review some pertinent facts.

The present session of Congress assembled in an atmosphere dominated by a state of inflation in the Nation. The

budget for fiscal 1950 was conceived in that atmosphere. Early action on appropriation measures by the House, by Senate committees, and even by the Senate as a whole in some cases was undertaken in that atmosphere.

Suddenly the economic winds changed. An atmosphere of deflation, recession, disinflation, or whatever we may choose to call it, was created. In the face of that shift of the economic winds a number of us were able to bring before Congress our arguments for the need of trimming the Government's fiscal sails.

Although the appropriation machinery was already in motion, we sought to slow it up by offering a succession of reduction and recommittal motions on appropriation bills which reached the Senate.

We were unsuccessful, but only by narrow margins.

One of the few cogent arguments that were then presented against our efforts was a plea that instead of doing the job piecemeal, we should pause at the end of the session and then should review the needs. That was not a partisan move; to the contrary, it was supported bipartisanly, by Senators on both sides of the aisle, because the fiscal policy of the United States must receive the support of both sides if it is going to be a sound policy and for the general welfare of all the people. When the argument was advanced that we should do the entire job at the end of session, when we could review the needs, I feel that many Senators were able to take refuge in that argument from a growing national demand for governmental economy.

There are some Members of the Senate who hope that we are now nearing the end of this particular session. The time for such a review as was earlier proposed is now at hand. The issue, as it has been from the first, is whether we shall make a determined effort to avoid deficit spending.

Mr. President, there are two methods of avoiding deficit spending. One is to increase taxes in order to meet the spending budget; the other is to cut the spending to match the income. I know of no Member of the Senate who today is, in effect, advocating an increase in taxes sufficient to meet the expenditures budget. Therefore, if we are going to balance the budget, we must face the alternative, which is to reduce the Government's expenditures sufficiently to make them meet the Government's income.

The appropriation process for the present session is now almost complete. The last congressional action on appropriations, including yesterday's conference agreement on the ECA appropriations, shows that we shall cut appropriations below the budget by approximately \$1,720,000,000. But we must recognize first that that amount, even if translated into expenditures reductions, would not be sufficient to balance the current budget. The Government ended the last fiscal year on July 1 with a deficit of about \$800,000,000. The daily Treasury statement for September 26 shows us running, at this moment and, not quite 3 months into the fiscal year, about \$1,100,-



000,000 behind last year. The ultimate deficit, unless we here take steps to curb it, is anybody's guess, but is probably a minimum of \$3,000,000,000.

More important than a knowledge of the amount of any appropriations reductions is the necessity for us to recognize that they do not represent reductions in expenditures. It is expenditures which must be reduced if there is to be any real progress toward balancing the budget. The senior Senator from New Hampshire [Mr. BRIDGES] has pointed out on another occasion that appropriations cuts for a given year are reflected in expenditures reductions in a ratio of only about 1 to 6. Carry-over funds and other appropriating and accounting practices account for the difference.

The fact that it is expenditures which must be cut in order to achieve a balanced fiscal policy is tied closely to one argument that has frequently been used against the proposal contained in my amendment. That argument runs to the effect that by calling upon the President to achieve a balanced budget the Congress is abdicating its responsibilities.

I concede that in a perfectly organized appropriating process, the Congress can assure a balanced budget, at least over a period of years. But I want to point out that Congress has no control over expenditures, other than to set a ceiling by means of establishing the amount of the appropriations. Expenditures are purely an executive function, within the ceiling thus set. Therefore, if the budget can be balanced only by a reduction of expenditures, it is not an abdication of congressional responsibility, but an assertion of executive responsibility, which will do the job. In other words, it becomes a dual responsibility: One is for Congress to appropriate, and the other is for the President, within the amount of the appropriations, to control the expenditures. Therefore, in order to have a balanced budget, the President can cut the expenditures to fit the income.

Congress has the constitutional power to direct the Executive to discharge the expenditures function in a manner which will carry out the enactment of a congressional policy. The granting of discretionary expenditure power to the Executive is not uncommon. In the arms assistance bill we authorized the expenditure of \$100,000,000, subject to such discretionary power.

Further, Mr. President, in connection with the pending bill at yesterday's session, the distinguished Senator from Illinois [Mr. DOUGLAS] submitted an amendment which, in effect, would require the President to pay the amount of the increased salaries set forth in the bill from the present appropriations. This in effect is saying to the President, "It is within your discretion to save the money on other expenditures, and apply it to these increases, because Congress now assumes that these increases are more important than some of the expenditures already provided for in the appropriation bills. We shall allow you the discretion of determining the least necessary items in the budget."

The same thing happened in connection with the armed services appropri-

tion bill, in which we directed the Secretary of Defense to use his discretionary power in rescinding \$433,000,000 of the appropriation which was granted to him.

Mr. President, another argument against the proposal we now advance is that because of the various fixed obligations on the part of the Government, it is not possible for the President to accomplish the over-all budget reduction which is directed by the amendment. Now I know of no person in the United States whom I consider a more competent authority on the Federal budget than the senior Senator from Virginia [Mr. BYRD]. On the floor of the Senate on August 29, the Senator from Virginia stated his unqualified opinion that "\$4,500,000,000, and more, could be intelligently deleted from the expenditures estimated for the fiscal year 1950 without impairment of a single necessary Federal function, service, or activity."

Mr. President, if it is possible, as I believe it to be, to reduce the budget \$4,500,000,000 without the impairment of a single necessary Federal function, service, or activity, then certainly we should adopt this amendment, so that the President of the United States can carry out the mandate of Congress and exercise the power to determine, in his discretion, where reductions can be made without the impairment of the necessary Federal functions, services, or activities.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. LONG. What does the Senator estimate the revenues for this year will be?

Mr. FERGUSON. I should estimate that the revenues will be from \$36,000,000,000 to \$38,000,000,000.

Mr. LONG. What is the Senator's estimate of the expenditures, authorized by Congress for this year?

Mr. FERGUSON. A little more than \$43,000,000,000.

Mr. LONG. On that basis, then, even the top figure the Senator names, which would be 10 percent—I understand he said 5 or 10 percent, but basing it on 10 percent—it would not balance the budget, would it? My impression is the President would be directed, as the effect of the amendment, to cut to 10 percent in order to balance the budget. But if the deficit is more than 10 percent, he would have to take the top figure of 10 percent, the over-all 10 percent cut, would he not?

Mr. FERGUSON. That is correct. That is as near as the Congress can get to it at the present time. There certainly would be a saving of from \$3,000,000,000 to \$4,000,000,000. In fact, it would be \$4,000,000,000, but I am taking into account certain items which cannot be cut; for instance, the item of judges' salaries, which constitutionally cannot be cut. But there are other items in the judiciary budget which can be cut by the President.

Mr. LONG. Is it not true that at the time the Senator offered the resolution in the early part of the session we had not yet voted for arms implementation and certain of the other spending programs which have come on since that

time, and that, at that time, it looked as if a mere 5-percent reduction would balance the budget?

Mr. FERGUSON. That is correct.

Mr. LONG. Does it not now look as if not even a 10-percent cut would balance the budget, but that it would take more than a 10-percent cut? I wonder whether the Senator would feel that he should increase the percentage stated in the resolution to 10 or 15, instead of 5 or 10, if he actually wants to balance the budget?

Mr. FERGUSON. No; I still think, if the President will take the proposal and carry it out fairly, which I know he will do if it is adopted, and will make reductions up to 10 percent, we shall come very near to having a balanced budget. That is my best judgment at this time. If, as the senior Senator from Arkansas says, the deficit is going to be greater than \$5,000,000,000, naturally 10 percent of \$43,000,000,000 will only give \$4,300,000,000, and therefore the budget will not be balanced. The deficit probably will be somewhere between \$3,000,000,000 and \$5,000,000,000. I hope it will be as little as \$3,000,000,000. Let us hope conditions will become even better in the next 3 or 4 months than they have been in the past, so that tax revenues may be sustained. The income of the people determines the income of the Government. By taxation we are in effect merely taking profits out of business and individual labor. That is what taxes amount to. It is profit out of labor and business and industry as a whole. If business is not good, the Government is not going to get profits, for taxes represent profits.

Mr. LONG. The point I had in mind was that the proposed amendment speaks of a cut of 5 or 10 percent as though it were flexible. Actually there is no flexibility under present circumstances. As I see it, it is a flat 10 percent cut, or a directive to cut the budget by a flat 10 percent, rather than a flexible schedule, as though we were going to arrive at how much it would take to balance the budget. It seems to me from the Senator's statement that even a 10 percent cut would not completely balance the budget.

Mr. FERGUSON. I think we should leave the discretion to the President. I think he knows, through the Bureau of the Budget and through the Bureau of Internal Revenue, what he can anticipate from day to day. At least, he has the facilities to know far better than we can. It is for him to say, on the basis of his knowledge and through the Bureau of the Budget, to the particular heads of the executive branch, "We must make a further cut" or "We can now spend a little more," as the income or the profit, as I called it a moment ago, referring to taxes, is coming in, as the revenues are coming in.

Mr. LONG. It seems to me the Senator in drafting the original resolution has made an oversight, in that he has not raised his sights as the deficit has grown greater, as he should have done, if he actually wanted to balance the budget by means of the resolution.

Mr. FERGUSON. I am sure if I increased it to 15 percent, I would not now



obtain the vote of the junior Senator from Louisiana.

Mr. LONG. I feel sure the Senator from Michigan is certain he would not obtain the vote of the Senator from Louisiana in either event.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. I wonder whether I may ask the distinguished Senator from Michigan whether the Appropriations Committee has given consideration to the fact that our money allocations in connection with the ECA program for expenditure abroad will now buy perhaps 25 or 30 percent more than when the money was allocated, and whether any rescission measures are in prospect?

Mr. FERGUSON. The Appropriations Committee, I may say, did not consider that in the conference, so far as I learned at the meeting. But I appreciate that in view of the devaluation of the British pound there can be bought today almost 30 percent more with the appropriated funds than could previously be bought.

Mr. MILLIKIN. In the sterling area, while the percentage varies with varying competitive conditions, roughly speaking it is possible to buy 30 percent more, and in any devaluing area it is possible to buy as much more as the devaluation amounts to. Is that not correct?

Mr. FERGUSON. That is correct. In other words, if one takes an American dollar into India and buys goods with it, which the ECA program does, it will buy about 30 percent more than it would have bought when we passed the ECA bill. There can be no doubt about that.

Mr. MILLIKIN. I have no suggestions to make to the Appropriations Committee, in which I have great confidence, but there, it seems to me, is a source of very substantial savings.

Mr. FERGUSON. Mr. President, that, in effect, is what we are asking the President to do through the amendment. He can reduce the ECA and yet not reduce the purchases one iota.

Mr. MILLIKIN. Exactly.

Mr. FERGUSON. He can reduce some other parts of the budget, without reducing the purchases one iota.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. The same principle applies to any of our military expenditures which may be made in the devaluing areas, does it not?

Mr. FERGUSON. Yes; so that the picture is different from what it was at the beginning. But that was not considered yesterday. I think much of that has been wiped out, so far as foreign programs are concerned at the moment, and so far as Congress is concerned, by the announcement that Russia had an atomic explosion. That announcement had a effect upon the conference, I am satisfied. But I think we have to discount that. We should have anticipated it. We should have been preparing as if it had become an established fact, and therefore it should not create panic in the fiscal policy of the United States.

Mr. President, I was going to say I knew of no one who advocated deficit spending. I shall have to change that to say that upon the floor of the Senate last night the junior Senator from Minnesota [Mr. HUMPHREY] advocated deficit spending. But he is the only one, so far as I know, who on the Senate floor actually advocates deficit spending.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. LUCAS. The Senator well knows, does he not, that a very distinguished citizen of Michigan, Mr. Hoffman, before a committee of which the Senator is a member, stated that before he would see ECA go down he would advocate deficit spending?

Mr. FERGUSON. I was present at the meeting at which Mr. Hoffman said that; yes. I think I understand him. In effect, he said that if he had a choice between ECA and deficit spending, he thought, for the good of the world, he would prefer deficit spending. I cannot agree with Mr. Hoffman on that, because I think we can accomplish both the purposes of ECA and a balanced budget. I believe we can have ECA doing as much good as it will do now, and yet not have deficit spending. There has been a great change in the value of the dollar. As I said, I know of no one, except the junior Senator from Minnesota, who advocates deficit spending on the floor of the Senate. The opponents of the pending amendment are merely apologists for deficit spending.

The job of balancing the budget can be done. It can be done by the President under the pending amendment, if he will exercise the intelligence and the will at his command. We are instructing the President that it is our belief, in the name of sound fiscal policy, which is our first line of defense in a troubled world, that he should so apply his effort.

Mr. President, this amendment is not offered for the purpose of defeating this bill, but the junior Senator from Michigan very sincerely does want the amendment to become the law of the land. It is not offered to a bill which the junior Senator from Michigan has any reason to believe might be vetoed, because that prospect would defeat the very thing which the junior Senator from Michigan is advocating.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. Is it not a fact that this same amendment, when it was last offered, received a majority of the votes of the Senate?

Mr. FERGUSON. That is correct.

Mr. MILLIKIN. So we cannot associate the majority of the votes of the Senate with the defeat of the bill.

Mr. FERGUSON. That is correct. So far as I know, the junior Senator from Arkansas and the junior Senator from Colorado, like myself, are not saying they want to defeat the bill by the attachment of this amendment. We merely want to see the amendment adopted by any device possible. This amendment should be made a part of the law of the land.

It should be attached to this bill in order that it may go to conference, so that the House may act upon it. I do not know how long this session may continue, and whether there will be any other opportunity to get action on this proposal.

Mr. MILLIKIN. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. I am sure our colleagues will appreciate the fact that as stated by the distinguished junior Senator from Louisiana [Mr. LONG], the pending bill has now a more modest scope than it had when it was originally introduced.

Mr. FERGUSON. That is correct.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the distinguished majority leader.

Mr. LUCAS. The Senator from Michigan says he does not want to defeat the pay bill, but he knows full well that in the event this bill should pass and the President should veto it, which I think he will, if it contains this amendment, the pay bill would be defeated. Why, considering all the bills which have been passed since we previously worked on this same problem, has the Senator from Michigan waited until this hour to offer this amendment?

Mr. FERGUSON. I will say to the distinguished majority leader that the junior Senator from Michigan will ask unanimous consent to withdraw this amendment if the distinguished leader of the majority will make it the regular order of business following the consideration of the bill.

Mr. LUCAS. That does not answer my question at all.

Mr. FERGUSON. It answers the Senator's question.

Mr. LUCAS. Not at all. I asked the Senator why it was that during all the time since we debated the same proposition previously—and since that time we have considered and passed probably 140 private and public bills—the Senator has not offered this amendment, but has waited until this hour. He waits until the executive pay bill is considered before he offers a proposal of this kind. His amendment would be just as germane to any other bill we have considered as it is to this bill. I should like to know why the Senator has not offered his amendment before, and why he has waited until this time to offer it.

Mr. FERGUSON. It was attempted to be attached to the military appropriation bill. That was an appropriate place.

Mr. LUCAS. That is correct.

Mr. FERGUSON. Here is an expenditure bill which the President of the United States says is essential. This amendment is just as essential as is increasing the pay of employees in the executive branch, the very persons who will have it within their power—

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. LUCAS. The Senator knows that his amendment is not germane, and he knows that he could have attached his amendment to any other bill which has



been considered during the past 6 weeks, and yet, for some reason or other—and I think I know what it is—the Senator waits until this hour before he offers his amendment to this particular bill. The Senator knows full well that if his amendment should be adopted, the executive pay bill would be dead.

Mr. FERGUSON. I submit that the Senator from Michigan does not know that.

Mr. LUCAS. I know it.

Mr. FERGUSON. Then the Senator has knowledge which the Senator from Michigan does not possess.

Mr. LUCAS. I certainly have.

Mr. FERGUSON. I take it for granted that the President of the United States has indicated to the majority leader that he will not allow the Congress to ask him or direct him to reduce the expenditures of the Government between 5 and 10 percent, and if it seeks to do so, he will veto the will and also the policy of the Congress of the United States. Do I correctly understand the Senator's statement?

Mr. LUCAS. The President of the United States takes the same position as that which the Senator from Illinois takes, that it is not the responsibility of the President of the United States to do the job which the Senator from Michigan would authorize and direct him to do by this amendment. The Senate and the House of Representatives have the power to do it. We have voted for appropriation bills, one after another, and have refused to make the cuts which should be made by the Congress if there are to be cuts in appropriations. I do not think the Senator from Michigan is responsible for that, because he voted consistently for a cut of 5 to 10 percent. But the majority of the Senate did not do that. Yet, the Senator from Michigan now seeks to have the majority advise the President of the United States and to place responsibility upon him, when it is our solemn duty and responsibility to do it ourselves. The Senator knows it is our duty.

Mr. FERGUSON. It is no more our duty than was what we did last night when we adopted the amendment of the junior Senator from Illinois [Mr. DOUGLAS], and when we in effect said to the President of the United States, "We will give you this increase, provided you pay it out of the present budget." That is exactly what we are doing by this kind of an amendment. We are saying to the President, "Reduce expenditures within the total appropriations and return to the Treasury the amount you reduce the expenditures, as indicated in this bill."

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WILLIAMS. I should like to ask the Senator from Michigan if he is aware of the fact that the reason why this amendment was not attached to the military appropriation bill, where it would have been more appropriate, as the Senator from Illinois has just pointed out, was because the Senator from Illinois raised a point of order against attaching it to that bill.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LUCAS. Of course, the Senator from Delaware has missed the point entirely, which perhaps is not unusual.

Mr. WILLIAMS. Does the Senator from Illinois dispute that statement?

Mr. LUCAS. Mr. President, what I am talking about is a very simple proposition. The Senator from Michigan could have attached his amendment to the military pay bill day before yesterday.

Mr. FERGUSON. That is correct.

Mr. LUCAS. He can attach it tomorrow to the post-office pay bill, or to any other bill.

Mr. FERGUSON. That is correct.

Mr. LUCAS. But, lo and behold, he waits until we have before us the executive pay bill before he offers it. Why did not the Senator offer it day before yesterday to the military pay bill?

Mr. FERGUSON. Let me ask the Senator from Illinois a question. If he were in my place and wanted the amendment to become a part of the law of the land, would he not select this particular bill, rather than to select some other bill?

Mr. LUCAS. I know why the Senator selects this bill.

Mr. FERGUSON. Because he thinks it will pass.

Mr. LUCAS. I do not think he will fool any Senators on the Democratic side of the aisle simply because on a previous occasion some of them happened to vote for his amendment. They will not be deluded by this kind of an amendment at this time.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. Is it not true that there is a distinction between the military pay bill and any other bill of which the Senator from Michigan can think which has come up since the Senator from Michigan last offered his amendment? The bills now coming along are outside the President's budget as it was submitted, while the military pay bill had an amount included in the budget to cover it. That is not true of this bill.

Mr. FERGUSON. That is correct.

Mr. SALTONSTALL. So is it not a fair statement to make that this is one of the first bills, if not the first bill, since the Senator from Michigan previously offered his amendment which is not within the amount contained in the President's budget?

Mr. FERGUSON. Mr. President, that is a very logical statement. The Senator from Massachusetts states an actual fact. There is no doubt that many Members of the Senate desire that this amendment become the law of the land. Let us take the picture as we find it today. Sixty-three Senators have requested the senior Senator from Illinois [Mr. LUCAS], the distinguished majority leader, to make the resolution which is now offered as an amendment the order of business, so that the Senate of the United States might vote upon it. Yet here we are, some of us

hope, in the last throes of the session—of course, hope springs eternal in the human breast—and we are of the opinion that the time has come when we should adopt this proposal.

Why should we wait and act on it the last day of the session, when it might be vetoed and not become the law of the land? I think Congress has to use some discretion and judgment; it should not act blindly; it should not say and do things which are foolish and ineffectual. But is not the balancing of the budget one of the duties of the Congress? Should the Members of Congress miss the opportunity to make this amendment the law of the land? I think not.

Sometimes ulterior motives are attributed. But when a measure is so important as the one we are considering, certainly the motives behind it cannot be considered as bad. I have said to the distinguished Senator that I shall ask unanimous consent to withdraw the amendment now if he will make it the order of business following the pending bill. But the answer is "no," because he has word from the President of the United States that this shall not become the law of the land.

Mr. President, as a Congress we can be a rubber stamp, and accept the direction that certain legislation is "must" legislation, but here we get the reverse dictum, this is "must not" legislation, this shall not become the law of the land. In other words, America will not have a balanced budget in 1950. The President of the United States says it shall not.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Holland	Mundt
Bricker	Ives	Murray
Bridges	Johnson, Colo.	Neely
Butler	Johnson, Tex.	O'Connor
Byrd	Johnston, S. C.	O'Mahoney
Chapman	Kem	Pepper
Connally	Kerr	Russell
Cordon	Kilgore	Saltonstall
Donnell	Knowland	Schoeppel
Douglas	Langer	Smith, Maine
Downey	Leahy	Sparkman
Eastland	Long	Stennis
Eaton	Lucas	Taft
Ferguson	McCarran	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
George	McFarland	Thye
Gillette	McKellar	Tobey
Green	McMahon	Watkins
Gurney	Magnuson	Wherry
Hayden	Malone	Williams
Hendrickson	Martin	Young
Hickenlooper	Millikin	
Hoey	Morse	

The PRESIDENT pro tempore. A quorum is present.

The question is on the amendment of the Senator from Michigan [Mr. FERGUSON] for himself, the Senator from Arkansas [Mr. MCCLELLAN] and the Senator from New Hampshire [Mr. BRIDGES], to the committee amendment, as amended.

Mr. FERGUSON. Mr. President, I wish to modify the amendment on page 1, line 2, after the word "expenditures", to insert "as nearly as practicable", so as to read:

With a view to bringing the estimated Federal expenditures as nearly as practicable



within estimated Federal receipts for the fiscal year ending June 30, 1950, the President is authorized and directed—

And so forth. Then on page 4, line 17, I modify the amendment after the word "year" by striking out the period and adding "after its passage"; because we are now within a day or two of the end of the first quarter.

The PRESIDENT pro tempore. The amendment will be modified accordingly.

Mr. LONG. Mr. President, I desire to say only one or two words about the amendment. The 5- and 10-percent cut amendment is obviously becoming one of the standard ways of defeating a bill. It was my understanding before I came to Congress that one of the standard ways of defeating a measure was to hang a civil rights rider onto it. If a Senator wanted to kill a certain measure he would endeavor to attach a civil rights rider to it, and if he were successful in so doing, it would result in the bill ultimately being killed.

Certainly some of the appropriation measures, such as the military appropriation bill, had to be passed. We must adequately defend the country. If a rider such as this amendment were hung on that appropriation bill probably the President would have signed it, and the amendment would have become law. A majority of us have an understanding that we are going to pass a top officials pay bill, and probably the hanging of the proposed rider on the bill would kill it, that is if it should remain in the bill when it went to the President, because the President has gone to the country and has explained to the country that he considered such a proposal unwise and unsound, and he would not sign a bill containing such a rider.

Mr. President, I do not believe we should try to play Indian giver, that is give something to somebody and then try to take it back again. The Senator from Michigan has been consistent. He has voted to give only so and so much money to the departments in the first place, and has voted against many of the spending programs, so if he wants to take back some money which other Senators have voted to spend, he is at least consistent in his position. But I do not think it can be said that it would be consistent on the part of many Senators who have voted to spend more and more money, if they should endeavor to take a part of the money back, after they themselves have voted to spend it. I myself have perhaps voted for the spending of too much money. Had I voted for one or two more reductions I might be able to say that I, by my vote, had tried to balance the budget.

However that may be, we have entered into a compromise in an effort to pass some kind of a top-pay bill. It will cost the Federal Government only \$700,000. Therefore, in view of the small cost, I believe that if we want to pass the bill we should go ahead and pass it without attaching any more crippling amendments to it.

I have agreed on behalf of the subcommittee—and speaking also for the committee—that we would take the McClellan amendment, requiring the

President to submit a balanced budget, as well as any other budget he may submit, showing where he would make reductions if he had to balance the budget. Congress will have the final voice. It will be left up to Congress to say whether or not we are to have a balanced budget. We have gone more than half way in accepting the McClellan amendment, and I think that is enough.

Mr. McFARLAND. Mr. President, I want the Senator from Louisiana to know that so far as the junior Senator from Arizona is concerned, he entered into the compromise in good faith and expects to vote against this amendment. I hope that the amendment will be defeated.

However, it is no more than fair to state, as Senators know, that the junior Senator from Arizona opposed this same amendment to another bill, partially on the ground that it involves a constitutional question. I invite the attention of Senators to the fact that the Committee on Post Office and Civil Service is not the proper committee to consider such legislation as is involved in the pending amendment. If it were introduced in the form of legislation, it would not be referred to the Committee on Post Office and Civil Service. Neither would the corresponding committee in the House be the proper committee to consider such legislation. Therefore, the conferees would be considering something of which they did not have original jurisdiction. This amendment has no place in the bill, and should be voted down.

As I stated yesterday evening, I am in sympathy with Senators who wish to balance the budget.

However, it must be done in the proper manner. Members of Congress must assume their responsibility and be willing to reduce appropriations in order to balance the budget. We should not try to delegate to the President the constitutional power vested in the Congress. We would be the first to criticize the President if he were trying to usurp our powers, and we would criticize him rightfully. I believe that we should guard our powers, and that we should not ask the President to do something which we ourselves are not willing to do. I hope that the pending amendment will be voted down, for the good of the Government of the United States, because we have a responsibility.

As I previously stated, this bill is more than a salary-increase bill. It is an equalization of salaries, and it is our duty not to attach crippling amendments to it after we have entered into a compromise. The junior Senator from Arizona has stood by us and voted with us. We entered into the compromise in good faith, and it is up to us to stand by him. So far as the junior Senator from Arizona is concerned, he expects to do so.

Mr. LUCAS. Mr. President, I should like to say one word in conclusion. The sole question is whether or not the Senate desires to pass for the executive branch of the Government an executive pay bill. As has been stated here time and time again, we have entered into a compromise arrangement. In my opin-

ion, the great majority of Members of the Senate are satisfied with the bill which has been substituted for the original bill. The vote last night, which was almost 2 to 1 for the Johnson substitute, indicated that the Senate desires an executive pay bill at this session of the Congress.

I have talked with the President about the pay bill, as well as about the amendment offered by the Senator from Michigan. The President was desirous of having passed the bill which was originally reported by the Committee on Post Office and Civil Service. He regretted that he could not get that bill through the Congress. I advised him that I did not believe it could be done, and that he should accept the substitute. The President stated that he would accept whatever bill was passed by the Congress.

If we tie the pending amendment to the executive pay bill, in my humble judgment the President will never accept it. The principle involved in the pending amendment is far more important, from a number of viewpoints, than the pay bill itself. I hope that Democrats and Republicans alike who believe that the "5 and 10" proposal has been debated long enough in the Senate, and who feel as I do, seriously, that it has no business in a bill of this kind, will vote against the pending amendment.

Senators know that the amendment is not germane. They know that there have been innumerable bills before the Congress since we previously discussed this question, to which this amendment could have been attached. However, the junior Senator from Michigan bided his time and waited for an opportunity to offer his amendment to the executive pay bill in the hope that he could kill the bill. That has been the hope of those on the opposite side all through this debate, as is shown by the statements which have been made during the debate.

The pending amendment is just as bad as the amendment offered by the Senator from Delaware [Mr. WILLIAMS], so far as killing the pay bill outright is concerned. I sincerely hope that Senators who desire to see an executive pay bill passed will vote against the pending amendment, because it has no place in this bill.

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment offered by the Senator from Michigan [Mr. FERGUSON] to the committee amendment as amended.

Mr. FERGUSON, Mr. LONG, and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. HILL], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Virginia [Mr. ROBERTSON], the Senators from Idaho [Mr. MILLER and Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are detained on official business.



The Senator from Louisiana [Mr. ELLENDER] is absent because of illness in his family.

The Senator from North Carolina [Mr. GRAHAM] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

The Senator from North Carolina [Mr. GRAHAM] is paired on this vote with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Washington would vote "yea."

The Senator from Alabama [Mr. HILL] is paired on this vote with the Senator from Kansas [Mr. REED]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Kansas would vote "yea."

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Pennsylvania [Mr. MARTIN]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Pennsylvania would vote "yea."

The Senator from Pennsylvania [Mr. MYERS] is paired on this vote with the Senator from Massachusetts [Mr. LODGE]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from Massachusetts would vote "yea."

I announce further that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Kentucky [Mr. WITHERS], and the Senator from Idaho [Mr. TAYLOR] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The senior Senator from Indiana [Mr. CAPEHART] and the junior Senator from Indiana [Mr. JENNER] are absent on official business.

The Senator from Vermont [Mr. AIKEN], who is absent by leave of the Senate, is paired with the Senator from Wisconsin [Mr. WILEY] who is absent on official business. If present and voting, the Senator from Vermont would vote "nay," and the Senator from Wisconsin would vote "yea."

The Senator from Washington [Mr. CAIN], who is absent by leave of the Senate, is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Washington would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Massachusetts [Mr. LODGE], who is absent by leave of the Senate, is paired with the Senator

from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Pennsylvania would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN], who is absent by leave of the Senate, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Kansas [Mr. REED], who is detained on official business, is paired with the Senator from Alabama [Mr. HILL]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Alabama would vote "nay."

The result was announced—yeas 28, nays 39, as follows:

## YEAS—28

Bricker	Gurney	Mundt
Bridges	Hendrickson	Saltonstall
Butler	Hickenlooper	Schoeppel
Byrd	Ives	Taft
Cordon	Kem	Tobey
Douglas	Knowland	Watkins
Eastland	McCarthy	Wherry
Eaton	McClellan	Williams
Ferguson	Malone	
George	Millikin	

## NAYS—39

Anderson	Johnston, S. C.	Murray
Chapman	Kerr	Necly
Connally	Kilgore	O'Connor
Donnell	Langer	O'Mahoney
Downey	Leahy	Pepper
Flanders	Long	Russell
Gillette	Lucas	Smith, Maine
Green	McFarland	Sparkman
Hayden	McKellar	Stennis
Hoey	McMahon	Thomas, Okla.
Holland	Magnuson	Thomas, Utah
Johnson, Colo.	Maybank	Thye
Johnson, Tex.	Morse	Young

## NOT VOTING—29

Aiken	Graham	Myers
Baldwin	Hill	Reed
Brewster	Humphrey	Robertson
Cain	Hunt	Smith, N. J.
Capehart	Jenner	Taylor
Chavez	Kefauver	Tydings
Dulles	Lodge	Vandenberg
Ellender	MCCarran	Wiley
Frear	Martin	Withers
Fulbright	Miller	

So Mr. FERGUSON's modified amendment to the committee amendment, as amended, was rejected.

Mr. BRIDGES. Mr. President, to the committee amendment, as amended, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5 of the committee amendment, as amended, after the semicolon in line 15, it is proposed to insert: "the Assistant General Counsel of the Treasury for the Bureau of Internal Revenue."

Mr. BRIDGES. Mr. President, let me say that I offer this amendment in my own behalf and in behalf of the junior Senator from Maryland [Mr. O'CONOR].

In the Treasury Department there is one of the most important bureaus, one of the most important agencies, of our Government, namely, the Bureau of Internal Revenue, the agency which collects the taxes which the Government spends.

I notice that in the substitute for the committee amendment—and let me say

that I intend to support it, so I am proceeding in good faith in regard to it—there are included provisions for salary increases for the counsel for the National Labor Relations Board and for similar officials. I think some of the most important jobs in the United States today are in the Treasury Department, for the general counsel of the Treasury and the chief counsel for the Bureau of Internal Revenue pass on the grave problems involved in collecting in excess of \$40,000,000,000 in taxes.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LONG. Does the amendment relate to the general counsel of the Treasury or to the assistant general counsel of the Treasury?

Mr. BRIDGES. There is a general counsel of the Treasury Department and there is an assistant counsel of the Treasury Department for the Bureau of Internal Revenue. The particular amendment now before us relates to the latter position. I intend to follow it with an amendment relating to the salary of the general counsel of the Treasury Department, because the salaries of both offices should be comparable.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. O'CONOR. Is it not a fact in regard to the two offices to which the Senator refers, that the persons holding them occupy unique and particularly important positions, in that they are appointees directly of the President?

Mr. BRIDGES. They are.

Mr. O'CONOR. Mr. President, will the Senator yield further?

Mr. BRIDGES. I yield.

Mr. O'CONOR. Is it not also a fact that by Executive order the chief counsel of the Treasury Department in the absence of the Secretary of the Treasury acts in his stead in certain situations, both in national and international fiscal problems, under authority vested in him by the President?

Mr. BRIDGES. It is. Mr. President, in order to handle the matter expeditiously, on behalf of the distinguished Senator from Maryland [Mr. O'CONOR] and myself, I send to the desk the other amendment relative to the general counsel of the Treasury Department, and ask unanimous consent that both amendments may be considered at the same time, because the same issue is involved.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. GEORGE. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. GEORGE. Is the Senator talking about the general counsel for the Treasury?

Mr. BRIDGES. Yes.

Mr. GEORGE. Or is he talking about the chief counsel for the Bureau of Internal Revenue?

Mr. BRIDGES. There are two amendments. They cover both.



Mr. GEORGE. Is the Senator speaking of the general counsel or the chief counsel, or is he speaking of their assistants?

Mr. BRIDGES. I ask to have both amendments read.

The PRESIDENT pro tempore. The clerk will state the amendments.

The CHIEF CLERK. The first amendment to the committee amendment, as amended, proposes, on page 5, at the end of line 14, to insert: "the general counsel for the Department of the Treasury."

The second amendment to the committee amendment, as amended, proposes, on page 5, after the semicolon in line 15, to insert: "the assistant general counsel of the Treasury for the Bureau of Internal Revenue, also known as chief counsel of the Bureau of Internal Revenue."

Mr. GEORGE. Mr. President, will the Senator yield for another question?

Mr. BRIDGES. I yield.

Mr. GEORGE. What salary would they draw under the amendments?

Mr. BRIDGES. They would draw \$14,000 under the amendments. They would be put in the second salary bracket, the \$14,000 class.

Mr. GEORGE. I am not yet sure whether the Senate is talking about the chief counsel in the Office of the Commissioner of Internal Revenue.

Mr. BRIDGES. I am.

Mr. GEORGE. The chief counsel?

Mr. BRIDGES. Yes.

Mr. GEORGE. To be specific, Mr. Oliphant?

Mr. BRIDGES. Yes.

Mr. GEORGE. And he would draw only \$14,000, is that correct?

Mr. BRIDGES. \$14,000. Mr. Lynch, the general counsel in the Treasury Department, would draw \$14,000. They both draw \$10,000 now.

Mr. GEORGE. Are they included in the bill as it now stands?

Mr. BRIDGES. They are not included in the bill.

Mr. GEORGE. I join with the Senator. Both should be included in the bill.

Mr. BRIDGES. I thank the Senator.

Mr. GEORGE. While I am on my feet, I desire to make this statement: When it comes to a political office, I am not much impressed by the many statements I have heard, because in the case of a purely political appointment, the appointee is actuated by any one of two or three motives. He may have an urge for public service, and if so, it is unnecessary to pay him too much money. That sort of aspiration or purpose cannot be purchased with money. Or he may have a political purpose to serve; in which case there is no need of greatly increased salaries. Or he may be interested solely in the money he is to receive; and if that be true, in a democracy, in my judgment, the salary should be kept within a reasonable figure. I am now thinking of the political office.

But on the business side of government, there should be, and we should have the courage to pay, a higher scale of salaries. When it comes to the management of such things as banking institutions, the Treasury Department, the general counsel of the Treasury, or to the office of chief counsel of the Bureau of Internal Revenue, or possibly the assist-

ant to the general counsel, and others handling business matters, I think it is altogether a different proposition, because ordinarily those men are not dominated by political motives. They are not working for political preferment, and while they may have the desire, the intent, and the purpose to serve the public interest, they are to be distinguished always, in my judgment, from those who hold purely political appointments, under a democratic form of government. So if the Senator's amendments apply to the chief counsel for the Treasury and to the chief counsel of the Bureau of Internal Revenue, I certainly think they should receive the salaries indicated, not less than those salaries.

Mr. BRIDGES. I thank the Senator.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. O'CONOR. Is it not a fact that unless the Senator's amendment prevails, under the bill as now written bureau chiefs in the Treasury Department will receive a greater sum than the general counsel, who ordinarily is considered on a different level, and who in the absence of the Secretary of the Treasury acts as Secretary, and is over the bureau chiefs?

Mr. BRIDGES. That is correct. The salaries of all the bureau chiefs will be higher than the salary of the general counsel.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LONG. What salary are those two persons drawing at the present time?

Mr. BRIDGES. I should assume they are making \$10,330.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. Can the distinguished Senator tell us the salary of the general counsel for the Federal Deposit Insurance Corporation?

Mr. BRIDGES. No; I do not have it.

Mr. LANGER. Does the distinguished Senator believe that the counsel for the FDIC ought to receive a comparable sum?

Mr. BRIDGES. I have not looked into it. In connection with the work of the committees, I have come in contact with the Treasury Department, which has done a fine job in the over-all collection of tax money. Beyond that, I have not given study to the subject in which the Senator is interested.

Mr. LANGER. In the case of a man like Charlie Oliphant, who has a job connected with a business literally running into billions and billions of dollars, and who handles cases involving millions and millions of dollars, with one or two of which I am personally familiar, I do not think a salary of \$14,000 is sufficient. I certainly want to join with the distinguished Senator in asking for the increase.

Mr. BRIDGES. I thank the distinguished Senator from North Dakota. In order to clarify the situation, I turn to the Congressional Directory, at page 330. Under the Office of General Counsel for the Treasury are listed:

General Counsel—Thomas J. Lynch.  
Chief Counsel for the Bureau of Internal Revenue—Charles Oliphant,

Those are the official titles.

I think the issue is clear. The Senate and the House of Representatives of the United States this year recognized the importance of the money-collecting agency. We gave substantially more collectors and agents to the Bureau of Internal Revenue. That agency collects more than 95 percent of all the revenue of the United States. The cost of collection in the year 1949 amounted to only 51 cents per \$100. There were 91,723,748 tax returns filed in 1947; 93,744,662 in 1948. It is an enormous job, and the Bureau has a tremendous responsibility. As the distinguished Senator from Georgia [Mr. GEORGE] and the distinguished Senator from Maryland [Mr. O'CONOR] have said, it is certainly a division of the Government which is on a slightly different basis from some of the others. I hope very sincerely that, having offered the amendments in entire good faith, they may be accepted. These positions held by outstanding men, doing an excellent job, should be recognized by adoption of these amendments.

Mr. LONG. Mr. President, I must object to this amendment, for the same reason as that interposed to many others. Of course, I am not personally opposed to these officials receiving \$14,000 or \$15,000. But the majority of the Members of the Senate have felt that it is too much. One looking at the schedule and the positions could say all these officials or at least many of them, certainly, are well entitled to more than they are now getting.

As the Classification Act was originally drawn salaries could go up to \$15,000. Members of the Senate seemed to be opposed to that, and opposed to a higher figure than \$12,500. The two attorneys to whom reference has been made would be entitled to have their salaries raised to about \$12,500, if the classification ceiling were raised. They would be entitled to have themselves properly classified and brought up to \$12,500. But if we are to start making exceptions of this kind, there will be just one after another, and each one represents an important position. But they do fall within the classified service, and such ceiling as we have fixed for the classified service I feel should fairly apply to them. Otherwise, we would never have an end to the number of exceptions which would come under the bill.

We tried in drawing the top pay bill in the first place to fix a high ceiling on the classified service, namely, \$15,000. We felt that, rather than have the Congress quibbling about fixing the salary for each man in the entire Federal service, occupying a position which someone thought was important, it would be better to let the Civil Service Commission attempt to fix the salaries of such people within certain limits. I feel the positions referred to in this instance should necessarily fall within the salary schedule fixed at the very top of the classified service, wherever we can fix it. The committee has recommended \$15,000. There will be an amendment offered, which I believe will be generally agreed to, to reduce that limit to \$12,500. That would mean for these officials an increase of approximately \$2,500. It will mean a



20-percent increase in pay if the classification bill passes.

I believe the positions covered by this amendment are no more entitled to special consideration than are many of the other positions which will be considered later, such as the chairman of the Atomic Energy Commission.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'CONOR. May I ask the Senator how he justifies the inclusion in the substitute bill of bureau chiefs in the Treasury Department who are now considered not in the same classification with the General Counsel, because the General Counsel may act as Assistant Secretary or may act in place of the Secretary, by Executive order, and under the bill the bureau chiefs are to receive \$14,000, while under the proposal which the Senator is discussing, the General Counsel will receive only \$12,500.

Mr. LONG. The Senator places much reliance upon the fact that one of these persons might act as chief in case the chief is absent. In what other department would that not apply?

Mr. O'CONOR. I beg the Senator's pardon; I said he might act in place of the Secretary of the Treasury.

Mr. LONG. We have agreed that none of these assistants should receive more than a certain amount, and that no assistant shall receive more than does a Member of Congress. Many of these assistants have extremely important functions to perform, but it is expected that someone will have to take the place of another when absent, whoever he may be. I do not think that calls for any special consideration. When a Senator is out of his office, his administrative assistant acts for him, but that does not necessarily indicate what the administrative assistant should be paid.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] for himself and the Senator from Maryland [Mr. O'CONOR].

#### WITHHOLDING OF INFORMATION WITH REFERENCE TO THE ARMED SERVICES

Mr. MORSE. Mr. President, I shall take only about 2 minutes to discuss a matter which is purely irrelevant, so far as the pending bill is concerned, but which is not irrelevant insofar as the public interest is concerned.

I read this morning in the Washington Post, with great concern, an article by John G. Norris, entitled "Navy Cramps Admirals in B-36 Inquiry." I wish to speak as a member of the Armed Services Committee of the Senate on that subject. I wish to say that I deprecate any attempt within the Military Establishment to cramp a thorough investigation of any military matter of vital concern to the welfare of the American people. In my judgment, a full disclosure in regard to the B-36 inquiry is the only type of disclosure that will make the American people feel satisfied and confident that they are receiving the facts in regard not only to the B-36, but in regard to the operation of the entire Military Establishment. As one who has fought hard for unification in the Military Establishment, I want to recall

to the Senate the fact that the record of the committee against muzzling of military personnel who are called to testify before congressional committees is perfectly clear. Those of us who sponsored the Unification Act made it very clear to the American people that channels of information with regard to the operation of the Military Establishment would not be closed as the result of unification. We went a long way, as far as we could, as members of the committee, to make perfectly clear that we would resist any attempt to impose any sort of censorship on the part of any segment of the Military Establishment over military personnel which might have some facts to offer to the American people.

Mr. President, I do not know what the facts are regarding the B-36. I wish to make very, very clear that I have complete confidence in Secretary Symington. He can be trusted to present any information requested of him by the Congress. I do not know what the facts are in regard to supercarriers, but I want to say that the American people are entitled to have the facts. With the world situation what it is, Mr. President, if there is anyone in the Military Establishment who can present facts that justify the building of carriers in order to strengthen the security of this Nation, I want the facts established and the carriers built. When I picked up the newspaper this morning and read such a disturbing article as that of Mr. Norris I became convinced that someone should speak out against any attempt to censor possible evidence. Mr. Norris is a very reliable reporter, Mr. President. As I read through his article and became convinced that it in all probability is based upon substance, I decided to say here on the floor of the Senate that any attempt on the part of the high Navy command, including the Secretary of the Navy himself, to restrict this inquiry, is not in the public interest. Unless we can have some assurance, Mr. President, that this article does not represent Navy policy I shall, at the next meeting of the Armed Services Committee of the Senate, demand an entire investigation of it. So long as I am a member of that committee I am going to insist that the channels of information, so far as the operation of our Military Establishment is concerned, be kept open to the American people. If there is any basis in fact for this newspaper story then it is clear that the channels are being closed.

Mr. President, I ask unanimous consent to have printed as a part of my remarks the entire article, because it speaks for itself. I hope we can have early assurance that no one is being muzzled in the Navy Department if he has any facts to present to the American people in regard to either the B-36 or the supercarrier.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### NAVY CRAMPS ADMIRALS IN B-36 INQUIRY

(By John G. Norris)

Apparently under pressure from above, the Navy is planning to sharply curtail its prepared "side of the case" in the congressional B-36 investigation.

Navy Secretary Francis Matthews, said Capitol Hill sources, has ordered naval officer witnesses to make no mention of the B-36 bomber in testifying before the House Armed Services Committee when that group resumes its probe next Wednesday.

This would rule out any evidence in refutation of Air Force claims for the controversial bomber. It has been reported that more than one admiral had planned testimony along this line.

#### MAY LIMIT WITNESSES TO FOUR

These same congressional sources also said that Matthews contemplates limiting the Navy's witnesses to four top admirals and may hold them to a defense of the place of the Navy under current and future world conditions.

Where the reported pressure came from is not known, but it was established that two members of the B-36 probe investigation staff called on Matthews Tuesday to discuss the Navy's presentation of testimony.

They are reported to have warned the Secretary that the agenda of the probe probably will be drastically cut when the committee reconvenes next week.

#### CROMMELIN MAY NOT APPEAR

Should the Navy's list of witnesses be confined to top admirals, this would bar Capt. John G. Crommelin from being heard—unless the committee insisted on calling him. Crommelin set off a controversy by charging that Pentagon chiefs are undermining the national security by hamstringing naval aviation. He demanded a congressional investigation.

Admiral William (Bull) Halsey and other admirals urged that the House committee hear what Crommelin has to say.

According to the word received by some Members of Congress, the four admirals selected to give the Navy's limited presentation are Admiral Louis Denfeld, chief of naval operations; Admiral Arthur W. Radford, commander in chief of the Pacific Fleet; Admiral William H. P. Blandy, commander in chief of the Atlantic Fleet, and Admiral Richard Conolly, commander of European-Mediterranean forces.

In June, the House committee voted unanimously on an eight-point agenda for its investigation. Point 1 was to establish the truth or falsity of the charges made against the B-36 and defense chiefs. The committee concluded that they were unfounded. It has partially established the source of the charges—point 2.

The other points call for determining: (1) Whether the B-36 is a satisfactory bomber; (2) whether the cancellation of the Navy's superaircraft carrier was a wise decision; (3) whether the Air Force is neglecting tactical aviation in its emphasis on strategic bombing; (4) can two of the three armed services determine the weapons of the third; (5) is the present emphasis on strategic bombing sound; (6) all other pertinent questions.

Navy partisans on the committee have urged that because top Air Force chiefs gave detailed testimony in support of their concepts of warfare, they should hear the Navy's side fully. Army and Air Force chiefs, however, content that such questions should be left for the Joint Chiefs of Staff and the new Weapons System Evaluation Group, and have brought pressure to close off the hearings without going into the latter points on the agenda.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 2372. An act to amend the Atomic Energy Act of 1946; and



S. J. Res. 53. Joint resolution to provide for the reforestation and revegetation of the forest and range lands of the national forests, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4330) making appropriations for foreign aid, for the fiscal year ending June 30, 1950, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 7 and 14 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 1, 8, 10, and 16 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

#### INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS

The Senate resumed the consideration of the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire for himself and the Senator from Maryland. [Putting the question.]

Mr. BRIDGES. Mr. President, I ask for a division.

The Senate proceeded to divide.

The PRESIDING OFFICER. On a division, the amendment is rejected.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

Mr. JOHNSON of Colorado. Mr. President, the result has already been announced.

Mr. BRIDGES. Mr. President, the parliamentary procedure is that following a vote a division may be requested, and following a division the yeas and nays may be requested.

The PRESIDING OFFICER. That is before the announcement of the result is made.

Mr. BRIDGES. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 5 of the committee amendment as amended, after the semicolon in line 19, it is proposed to insert: "the Associate Director of the Federal Bureau of Investigation."

Mr. BRIDGES. Mr. President, with reference to this particular amendment, there is included in the original bill the Deputy Director of centralized intelligence. There is one great investigating agency in this country which tops them all, namely, the Federal Bureau of Investigation. If we are going to increase the salary of the Deputy Director of the Central Intelligence Agency, there is no reason on God's green earth why we should preclude the Associate Director of the Federal Bureau of Investigation. It is only common sense, and if the amendment is not adopted, the bill will be discriminatory. I do not believe the Senate of the United States wants that

to occur. No one wants to stand on the floor of the Senate and argue against the Federal Bureau of Investigation. This is a simple case of justice.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McMAHON. For whom in the Bureau does the amendment provide?

Mr. BRIDGES. The Associate Director of the Federal Bureau.

Mr. McMAHON. Mr. Tolson?

Mr. BRIDGES. Yes.

Mr. McMAHON. Mr. President, I should like to endorse the amendment which has been offered by the Senator from New Hampshire. We cannot divorce the personality from the position in our consideration of whether or not we should be for an amendment or against it. I have known Mr. Tolson for many years. He has given a lifetime of career service in the Department of Justice. He has had a splendid record in the service of the Government. Certainly I believe he is entitled to the salary proposed if anyone in the Government is. His position, as the First Assistant to the Director, Mr. Hoover, imposes on him heavy and grave responsibilities. Much more onerous than those borne by many gentlemen who are given preferment in the bill. I would suggest to the Senators in charge of the bill that they should accept this amendment.

Mr. MUNDT. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from South Dakota.

Mr. MUNDT. I personally desire to associate myself with the statement of the Senator from Connecticut and the Senator from New Hampshire concerning this particular amendment. As a Member of another body for many years, I engaged in close contact with the FBI, and know that in times when the Director is ill or incapacitated Mr. Tolson serves as the Director. It seems to me a very unwarranted discrimination against the FBI to pay the Associate Director of the Central Intelligence Agency a salary higher than that paid the Associate Director of the FBI. I hope that the Senator from New Hampshire will press the point, and if it appears that a yeas-and-nays vote is necessary, that we have one. I think in these crucial days we can certainly ill afford to lose the services of members of the FBI at the top level who are responsible for protecting what is left of internal security in America. We can ill afford to take a chance on that. This comes under the heading, I believe, of national defense, on which we have spent a tremendous amount of money, and I think we should be able to agree unanimously on this corrective amendment.

Mr. LONG. Mr. President, in the organization of our Government there is a substantial difference between the Central Intelligence Agency and the FBI. The FBI is a division of the Department of Justice, and Central Intelligence is a separate agency. The deputy director of Central Intelligence is so situated that he would be in command of an independent agency, while in the pattern of organization of the Department of Jus-

tice, the associate director of the FBI would be about fifteenth in the chain of command down the line.

Under the classification bill, the official referred to would be one of many who would be considered for about a 20-percent increase. If the classification bill is enacted, Mr. Tolson could be substantially raised in pay over what he is now receiving.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from New Hampshire.

Mr. BRIDGES. Does the Senator mean to stand on the floor of the Senate and say that he does not put the Federal Bureau of Investigation on the same footing with the Central Intelligence Agency? Does he not think it is as important? I do not believe the Senator wants to take that position.

Mr. LONG. The Senator well knows that the Central Intelligence has been set up as an absolutely independent agency, and the FBI is a subdivision of the Department of Justice. That is the only basis for distinction between the deputy director of the Central Intelligence Agency and the associate director of the FBI. Central Intelligence is an independent agency as distinguished from the FBI, which is a subdivision of a department.

Mr. BRIDGES. Does not the Senator feel that the Federal Bureau of Investigation is as important to this Nation as is the Central Intelligence Agency?

Mr. LONG. I personally agree with the Senator's suggestion; it is true; but once we break down the general pattern of this bill, which relates more or less to the chain of command, as in an army or navy, and let the thing become a hodgepodge, then we shall be called upon to determine whether a man at Bonneville is more important than a man in TVA, whether the Treasury is more important than justice, or whether the military is more important than all the rest put together. Once we break away from the general rule that the head of a department is entitled to so much regardless of what his department may be, we naturally bring about a general hodgepodge and must pick out each individual in the Federal Government and say how much he should receive without any standards to follow.

Mr. THYE. Mr. President, what the Senator from Louisiana has just said is indicative of one reason why I objected yesterday to the substitute amendment. I felt that it was a hodgepodge, that the Committee on Civil Service and the Senator from Louisiana, as chairman of the subcommittee, had made a long and deep study of the problem. Then, on a moment's notice, I might say, we were informed of an agreement to a substitute which did not carry out in a consistent manner the attempt to wipe out inequities and injustices in the pay schedules of certain classified positions, because similar positions created in recent years have invariably carried a much higher salary scale and increase than those which were established in the earlier period of the Government.



In the Committee on Civil Service we endeavored to make salaries consistent with each other in their relation to the importance of the positions. I was fearful that in the substitute measure an error would be committed. The Senator from New Hampshire, in his amendment, is trying to correct what may be an injustice in the pay schedule or classification of this particular position.

I support the Senator from New Hampshire in his amendment.

Mr. BRIDGES. Mr. President, let us look at the substitute amendment. We have talked about the Deputy Director of the Central Intelligence Agency. The Chief Assistant Librarian of Congress is included in the substitute. Is not the Associate Director of the Federal Bureau of Investigation as important as the Assistant Librarian of Congress? By what stretch of the imagination are we to include the Assistant Librarian of Congress in the bill and exclude this very important official of the Government? Why exclude the Chief Counsel of the Treasury Department? Why exclude the man who passes on the collection of all taxes? Why exclude the associate head of the Federal Bureau of Investigation, which organization is guarding day and night the security of the Nation, and include the Assistant Librarian of Congress? That is bunk, and every Senator, after thoughtful consideration, knows it to be bunk. Think of including the Assistant Librarian of Congress and excluding the Associate Director of the Federal Bureau of Investigation.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. LONG. May I suggest to the Senator the inconsistency of the two arguments he is making? He is setting up one position against another. He has just gotten through offering an amendment providing an increase for the general counsel of the Department of the Treasury, because that official would serve as Secretary in the very unusual, almost inconceivable, situation, when not only the Secretary but also the Under Secretary were absent. He argued that it might be conceivable he would be over someone who was ordinarily over him; therefore, he should have the same pay in the chain of command, and now the Senator says the chain of command should mean nothing in the pay schedule.

Mr. BRIDGES. Let me say to the Senator that in answer to a question from the distinguished Senator from Maryland, I did say that that was true of the general counsel for the Treasury. But that was not at all my argument for the chief counsel of the Treasury Department or the chief counsel of the Bureau of Internal Revenue.

Mr. LONG. Did not the Senator agree that that was a good argument though, when the Senator from Maryland suggested it?

Mr. BRIDGES. I agreed, but that was not my basic argument. My basic argument was the importance of the job in handling the money involved.

Mr. President, I am for the bill. But instead of simply sitting here and stub-

bornly saying, "We are not going to change it," if we can improve the bill I say we ought to do so. I see in the bill provision for the counselor of the Department of State, the Philippine Alien Property Administrator, the Deputy Public Printer, and so on. Then Senators propose to refuse to include in the bill the Associate Director of the Federal Bureau of Investigation, who is guarding the security of the country day and night, 24 hours a day. To my mind that is bunk, and nothing can be said on the floor to change it.

Mr. President, let Senators look over the bill. There is no question that those who framed the substitute framed it in good faith, and as I have said, I am for it.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. JOHNSON of Colorado. The substitute bill, so far as these classifications are concerned, in spite of what the Senator from Minnesota suggested a moment ago, is taken directly from the bill which was reported by the committee. Not one single position is changed in it. If Senators will read the bill advocated by the Senator from Vermont [Mr. FLANDERS] they will find in the substitute the same classifications, one after another in regular order, and word for word, line for line, and paragraph for paragraph. The substitute bill does not do the thing the Senator from Minnesota said it did at all. We relied on the bill sponsored by the Senator from Vermont. Long hearings were held on it. The committee worked out the provisions of the bill carefully. Those of us who helped draft the substitute bill were unable to tell what offices and positions were covered by the classified civil service. We took the committee's word for it. We thought the committee had worked it all out. We simply copied the substitute from the committee bill, changing only the amount of pay, not the names, not the officers, not the positions which should be included in the bill, according to the committee. There are two bills; one is the civil-service bill and the other is the executive salary bill. We relied on the committee to make the proper separation.

Mr. BRIDGES. Mr. President, my point is that we approach the bill in good faith. Certainly I am going to support the substitute bill. But instead of Senators sitting here and stubbornly saying, "That is it; we are not going to change it," if the bill can be improved by equalizing the inequalities which now exist, then the constructive thing to do is to improve it in that manner. If any Senator thinks he can convince me that the Deputy Director of the Central Intelligence Agency, or the Deputy Public Printer, or the Assistant Librarian of Congress, or anyone of 15 or 20 others are more important than the Associate Director of the Federal Bureau of Investigation, I should like to have him try to do so.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McFARLAND. I call the Senator's attention to the fact that this official is a

civil-service employee. There is a great deal of difference between a civil-service classified employee and the other employees we are considering in this bill. Civil-service classified employees can be considered when the next bill comes before the Senate. If each Senator endeavors to have his own pet brought within the bill we will be here for 2 weeks considering it.

I can agree with some things the Senator has said. I do not say the bill is perfect. But the committee classified the individuals involved. I believe those who are under civil service should not be considered in this bill. That is our point. If we continue in the manner we are doing now, and Senators try to have this one and the other one included in the bill, we can be here for 2 months picking out civil-service employees and putting them under the bill because there are many thousands of civil-service employees, and each Senator has a friend whose salary he would like to see increased—one may be from Arizona, one from New Mexico, and another from New York, and so on. I am sure any Senator can make out a good case for each one he would like to have included in the bill. Where will we wind up, Mr. President, if we should begin to pick out civil-service employees here and there and put them in the bill?

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McCARTHY. Unfortunately, I was not on the floor when the Senator from New Hampshire began to discuss this matter. I wonder if he has pointed out to the Senate the fact: First, that Mr. Tolson has been in the Bureau for 22 years; second, that when Mr. Hoover is absent Mr. Tolson then has the most important job in the whole Nation.

Several months ago Mr. Hoover was sick for about 3 months. Mr. Tolson at that time had to manage the FBI. That Bureau has no politics in it whatsoever, which is certainly a distinction around Washington at this time. Before his 22 years of service in the Bureau he served 8 years with the War Department as confidential secretary to three different Secretaries of War. He is a man with a most extensive background. While he has not said so publicly, or to me or to any other Senator, I assume that a man of his background, his capacity, his capability certainly could command a much larger salary in any number of outside jobs than he is now receiving.

I agree with the Senator from Arizona [Mr. McFARLAND] that perhaps this particular job technically should be brought in under another bill, but looking at it from the practical standpoint, we find the Deputy Director of the Central Intelligence Agency receiving a salary of \$14,000. Mr. President, it seems to me it would be wrong to say to the assistant to Mr. Hoover—an assistant who has done such a phenomenally outstanding job—"You belong in a lower pay category."

I am not sure whether the Senator from New Hampshire has pointed out that one of the things which are peculiar to the FBI, and luckily so, is that no



individual receives undue credit. The Department receives credit for what any man does. As a result the outstanding work of Mr. Tolson in individual cases has not been brought to the attention of the public.

For example, when the whole Touhy gang escaped, Mr. Hoover, with Mr. Tolson assisting, personally took charge of the case. They were in active charge of the apprehension of the Touhy mobsters, and killed two and captured the rest. Both Mr. Hoover and Mr. Tolson were in the front line in that case.

In the Bremerton kidnaping case, in the apprehension of Karpis, in the very atrocious Bailey Cash kidnaping case in Florida, Mr. Hoover, with Mr. Tolson assisting, took charge personally. I do not mean they were in charge only technically, but they carried guns and picked up the kidnapers and mobsters. Mr. Tolson has done work in the field which the ordinary investigator does. Moreover, in Mr. Hoover's absence Mr. Tolson is able to handle the administration of this vast Bureau and do it well.

Mr. President, I believe it would be completely wrong to say to such a man "You belong in a lower category than does another man in a parallel position in Central Intelligence Agency."

Mr. JOHNSON of Colorado. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. JOHNSON of Colorado. I wonder if the Senators are losing track of the fact that in the classified civil service employees are given longevity pay? Mr. Tolson has worked for many years, and because he has worked for many years he will receive the very top pay under the classified civil service. Senators with their good intentions may be doing Mr. Tolson a disservice by placing his position in the executive pay bill when it actually belongs in the civil service classification bill, which is not before the Senate at the present time.

Mr. McCARTHY. Mr. President, I believe the Senator will agree with me that no department has done more, prior to and during the war, to safeguard this Nation than has the FBI. I believe the Senator will agree with me that that is due largely to the work of Mr. Hoover and his assistant, Mr. Tolson. As all Senators know, the FBI is one agency to which no Senator would think of going and saying "Put my friend on. Give him a job." No Senator would ever think of saying that to Mr. Hoover or Mr. Tolson. That agency is entirely free from politics. The only way a young man can get a job in the FBI is on the basis of his ability. That is because of the competence of the men heading it. As Senators will recall, there was a time, before Mr. Hoover took over the Bureau and it was under Mr. Burns, when it was the most politics-ridden bureau in the Government. If we inadequately pay the men who head that Bureau, if we, in effect, insult the Associate Director by saying, "You are not as competent as the Associate Director of the Central Intelligence Agency and you should not get the same salary," we are in danger

of losing the competent men we have, and putting the FBI back to the days when it operated under Mr. Burns.

Mr. ANDERSON. Mr. President, I have been greatly interested in this general subject, because if there is any subject with respect to which I can go back a long way in my record, it is the subject of trying to increase salaries in the executive departments. I was in favor of it at a time when it was supposed to be contrary to administration policy to advocate salary increases, at a time when we were trying to economize. If the Senator from North Dakota [Mr. LANGER] were present, he would recall that I appeared as Secretary of Agriculture before his committee and testified in favor of increases at a time when that was supposed to be contrary to the policy of the administration.

I believe that if we continue to try to load down the bill with "nice people" before long we shall have a bill which will be recommitted. If that is the purpose, I think it could easily succeed.

I have heard it said that Mr. Tolson has been with the FBI for 22 years. That is conceded. But I do not believe that we are basing the salaries of Cabinet officers on the number of years they have served as heads of their respective departments. Would it be suggested that a man like Mr. Ickes, who served as Secretary of the Interior for a longer period than any other man ever occupied that office, should have received more money than the Secretary of State, who was changed every few months for a while? I do not believe so. I do not believe that we can measure these things in terms of the capacity of a particular person who occupies a certain position at a particular time. I think it is unfortunate to have this issue dragged in.

I have never commented on the work of the FBI. I am not one of those who believe that everything that is done by the FBI is perfect. While it may be regarded as extremely unpopular to express the belief that not everything it has done has been perfect, I wish to say that the Congress appropriated \$700,000 to investigate subversive activities and at the conclusion of the investigation the report of the FBI did not disclose a single individual who was definitely said to be subversive.

A committee of the House of Representatives of which I happened to be a member was appointed to study the report of the Dies committee and to report on the charges which the Dies committee had made against hundreds of Americans. The very first witness we heard was J. Edgar Hoover, who appeared at a closed session. Therefore, I suppose there is no written testimony; but I assure Senators that the answer we got over and over again was that the FBI merely investigates; it does not convict.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CORDON. The very essence of the responsibility of the FBI is that of investigation. The judiciary takes care of the matter from the time the facts are submitted. I have seldom seen a

case go to judgment without the facts. The facts are brought into court through the work of the Federal Bureau of Investigation.

Mr. ANDERSON. If they submitted facts, that would be extremely interesting. However, I have read their reports, and they read something like this: "The witness A says that a certain man saw Susie Jones, who came to his house after dark. The curtains were drawn. Witness B denies it." What are the facts? No facts are submitted. There is a difference of opinion in every case. So I say that while the FBI has been a fine and creditable institution, it is one thing to stand here and say that this man should be given a pay increase because he has been in the Department for 22 years—

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. TOBEY. The reference to "Susie" brings to mind the title of the old song. Perhaps the reason that investigation was not pushed was, in the words of the old song, "If you knew Susie like I know Susie." [Laughter.]

Mr. ANDERSON. Unfortunately I did not know Susie, and I was unable to judge.

Mr. President, if we want to start reforming the bill and correcting all inequities, I should like to start with the 60,000 employees of the Department of Agriculture. For example, in this bill we do not find the Director of the Agricultural Research Administration. Recently we enacted a bill known as the Hope-Flannagan bill, providing for agricultural research.

Within the past few months there has been a change in the entire administration of the Research and Marketing Act. It has been transferred to the Agricultural Research Administration, headed by Dr. P. V. Cardon. If there are more distinguished employees of the United States Government than Dr. Cardon, I am not acquainted with them. Yet no one would think to place his position in this bill, because he does not have under him a stream of people running over the country. He has not been in that position for 22 years, but he has been there for a long time.

Some years ago one of the most valuable men, far below Dr. Cardon in the Department, was a man named Dr. May, the head of the laboratory at Peoria, Ill. Dr. May had been for many years in charge of that laboratory. A great American industrial organization asked him if he would resign his position and enter their employment. I have told this story before, but it typifies to me the type of "mute and glorious Miltons" who work in the Department of Agriculture and in other departments. It is not confined to that Department.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. ANDERSON. In a moment.

When a representative of that great industrial concern came to see Dr. May and offered him a job at \$30,000 a year when he was receiving \$9,000 a year, although he was not possessed of great



financial resources, his reply was that he could not consider it until the Secretary of Agriculture had first been approached and had given his permission that he might leave the job. He was not tied to the United States Government by a contract. Yet that man's character was so high and his loyalty was so great that he would not even talk to the representative of the industrial concern until I had been consulted.

He finally left the Department because I realized that I must permit him to leave. He had a family coming along, with children ready for college, and he was unable adequately to take care of them. That man was receiving \$9,000 a year in the Department. He moved to a \$30,000 job. Within the past year his salary has been increased.

Yet Dr. Cardon, who was his superior, stayed in the Department at \$10,000 a year; and because he does not have a glamorous reputation, not a soul wants to raise his pay.

I have not attempted to amend the bill so as to increase the compensation of officials of that character, because I feared that if I did so we would fail in the effort to increase the salaries of others who are deserving.

I wish it could have been possible for a Cabinet officer to receive \$25,000 a year. I am sorry that in the substitute that salary was reduced to \$22,500 a year; but rather than try to increase it to \$25,000, I voted for the committee substitute, because I think it is important that something be done. It is on that basis that I shall oppose the effort to bring Clyde Tolson under the terms of this bill.

I now yield to the Senator from Oregon.

Mr. CORDON. I thank the Senator. Let me say first that the Senator from New Mexico has just said something on the floor of the Senate which sadly needed saying during this debate. He has called attention, out of his own experience, to a great group of honest, faithful, and efficient servants of the United States who have never had the recognition which they deserve, and never will have it, save as they get it from some superior, such as the Senator was as Secretary of Agriculture, who personally knows of the devoted service which they have rendered.

Mr. President, the vice of this bill is that it is a bill to put a price on a title, and not to pay for services rendered on the basis of value received. Unless, as a result of all the appeals coming to us, that situation is remedied, I shall regret a vote in favor of this segment of the entire pattern. It may well be that, step by step, we can achieve justice for everyone; but if we stop here, we shall have done worse than that.

Mr. ANDERSON. I thank the distinguished Senator from Oregon. What he has just said encourages me.

Mr. President, I have repeatedly tried to point out that some of the persons hidden away in the Departments are extremely wise and extremely wonderful servants of the Government. I recall that when the sugar problem fell into my lap in the summer of 1945, and when I

was sorely perplexed to try to understand the conflicting reports which came to me, a man telephoned my office, and talked to my secretary, and said, "I wonder if the Secretary of Agriculture would talk to me about sugar. I have never spoken to a Secretary of Agriculture. For more than 20 years I have been in the Department. Perhaps I presume a little bit to ask if I may come to see the Secretary of Agriculture; but I wonder if he would talk to me for a few minutes."

He was given an interview. He brought me a chart which was the most illuminating document in relation to the supplies of sugar and the effects of various wage-scales in various countries upon the importation of sugar into the United States I have ever seen or ever had submitted by any sugar authority. For my purposes, it gave me far more information than all that had been gathered in the course of several intensive studies which had been made by some very distinguished men. That man, who for 20 years had made a specialty of tropical plant diseases, and particularly diseases affecting sugar, never before in all that long time had been permitted to put his foot inside the office of the Secretary of Agriculture. We shall not find in this bill provision for increasing his salary.

I say that I could go through the bill and point out that the man who is in charge of the Production and Marketing Administration and has the responsibility for \$4,850,000,000 is treated exactly the same, so far as salary is concerned, as the man who, under his direction, heads the Federal Crop Insurance Corporation. Oh, yes; it is easy to talk about these wage scales; but we should realize that in 1 year the Production and Marketing Administration and the Commodity Credit Corporation, of which that man also is president, had a larger group of sales and actually made more money that year than did General Motors. Yet if rumor is not incorrect, two or three persons on the pay roll of General Motors are paid more than \$9,000.

We shall not try to remedy that situation by boldly taking that man's salary out of the limited category in which it now is and increasing it, because to do so might disturb the equilibrium. I am not quarreling with that attitude, although I should like to see his salary increased. But neither shall I agree to jeopardize the whole system by agreeing to make a special exception, by way of an increase in salary, in the case of a nice guy like Clyde Tolson, who also is an extremely efficient administrator.

Mr. McCARTHY. Mr. President, there is no Member of the Senate for whom I have more respect than the junior Senator from New Mexico [Mr. ANDERSON]. However, I wonder if he is not doing the FBI an injustice. In connection with the discussion of the FBI, I think it should be pointed out that it was not the task of the FBI to decide what individuals or organizations were subversive. The Attorney General assigns the FBI the task of gathering information on persons or organizations, as requests may be made of it by the Attorney General. The Attorney General is the one who issued the list of subversive organizations. The

FBI did not list those organizations as being subversive; it did not do so, because that was not its job. The FBI merely presented to the Attorney General all the information it could obtain about those organizations. If John Jones was suspected of being subversive, it was not the function of the FBI to act a court and to pass on the sufficiency of the evidence produced, but the FBI was assigned the task of obtaining all possible evidence in that connection. For instance, the FBI might list among the information it obtained, "On such and such a date, John Jones was seen at such and such a place." It was not the task of the FBI to decide anything about the loyalty of that particular person or any other person or group.

So when it is pointed out that the FBI did not charge anyone with being subversive, I think the Senator who makes that point is not being fair to the FBI, because that was not the FBI's job. The Attorney General said to the FBI, "Get all the available evidence, and then my Department will decide what organizations are subversive and what individuals should be prosecuted."

So I think it should be clear that we are not condemning the FBI for not doing a job which was not assigned to it.

Mr. ANDERSON. Mr. President, I do not wish to be unfair to the FBI, and of course it is true that their letter of instructions did not direct them to determine which persons or organizations were subversive. On the other hand, if they could not determine that, who could? The Department of Justice could not do anything in such matters, because there was nothing conclusive. So if the FBI could not make that determination, there was no other agency which could do it. It seems to me that somewhere along the line there might have been someone who could say "We know this man does thus and so, and therefore we believe he might be regarded as an undesirable citizen."

I do not mean to imply that, in the main, the work of the FBI has not been extremely good. I was only trying to say that it seems to be characteristic that we develop our "sacred cows," and we think that nothing should be said against them. If Senators will look at the great study the FBI made of subversive organizations in the United States, and will read carefully their report, which I delight in possessing, I think Senators will find that there was no decision at any time, at any place, on any organization or individual.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield.

Mr. LANGER. Does not the Senator think the FBI earned the thanks of the entire country when it captured the eight saboteurs who had come to the United States by submarine, and captured them before they could do any damage to industrial plants in the United States?

Mr. ANDERSON. Mr. President, I do not wish the distinguished Senator to misunderstand me. I think we owe a great debt of gratitude to the FBI for that performance and for many other of its performances. I merely wish to



say that there are in the Government departments many persons to whom we owe a great debt of gratitude; and if we are to start paying off debts of gratitude, let us do so in the case of all Government employees who have done good jobs in the past 25 years. But if we fail to do that, then we have to do what the Senator from Louisiana has been pointing out—namely, go down the line of command and increase salaries on that basis, not on the basis of individual outstanding and efficient service.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LANGER. Is it not true that the committee bill, for which the substitute has been submitted, was thoroughly considered over a period of 2 years; that Mr. Hoover appeared before the committee at that time and told the committee all about the work of the FBI, and that we likewise had testimony from the head of every Government department, including the distinguished junior Senator from New Mexico, then the Secretary of Agriculture, who himself appeared before the committee and told us about a man who was working in the Department of Agriculture and was being paid \$10,000, and subsequently was hired by a firm in Minneapolis which paid him \$25,000? Does not the Senator honestly think the committee which went into the most minute detail in respect to every department of the Government knew more about that subject than did the gentlemen who submitted the substitute?

Mr. ANDERSON. Yes, I do; but I say that provision for increasing the salary of that particular man was not contained in the original bill, either. Therefore, if the Senator believes that in the measure now before the Senate we should not attempt to single out for salary increases particular Government servants who have done excellent jobs, then no doubt the Senator should support the position the Senator from Louisiana and I are taking, in which event he could not support the amendment offered by the Senator from New Hampshire. I wish to be consistent. I say now to the Senator from North Dakota, as I said before, in his absence, that I appeared before his committee and testified as a Cabinet officer; and I have greatly appreciated the support he gave, by his investigation, to the morale of the departments, because employees in the departments came to me and said, "Thank God we have some people in Congress who are interested in us"; and they were kind enough to say that they also enjoyed having a boss in their Department who was interested in what happened to them. I have publicly and privately thanked the Senator from North Dakota for what he did.

I do not want to hold the floor any longer. I simply say I believe we must proceed to consider this question on the basis of positions, not personalities. Mr. Tolson is a fine man, a splendid gentleman. He probably is entitled to every dollar the amendment would provide.

But I can give the names of 50 people in the Department of Agriculture, whose names the Senator has never heard, who are equally entitled to increased compensation.

Mr. THYE. Mr. President, a short time ago the senior Senator from Colorado [Mr. JOHNSON] said there was only one change made in the substitute proposal, and that was a change in the salary range rather than in the classification. I have gone through both measures, the bill which was introduced, which was reported by the committee and the substitute.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. THYE. In a moment. Let me carry through, please; then I shall be most happy to yield. It is utterly impossible to follow through and determine what the substitute measure proposes in relation to the bill which came to the Senate floor as the committee bill.

For example, I call the attention of the Senate to section 4, on page 9 of the bill which was introduced as House bill 1689. If we look on page 4, section 4 of the substitute measure, we hardly recognize the language. Comparing it with the language in the section of the original bill, it is utterly impossible to arrive at any intelligent understanding of the two provisions. It is that which I call hodge podge, and which makes the bill in its present form almost impossible.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. THYE. Yes, indeed; I am happy to yield.

Mr. LONG. If the Senator will point out to me the provisions which he feels do not make sense? I believe I might be able to explain to him what the authors of the substitute had in mind in relation to the original bill, because I feel the substitute bears a substantial relationship, in fact a very close relationship to the committee bill. There were certain reasons why certain things were done, one of the main reasons being the feeling that the salary of no one except a Cabinet officer, by virtue of the bill, should be raised to exceed that of a United States Senator or a Member of the House of Representatives. That was one general rule of thumb which was followed. If the Senator will refer to the instances he has in mind, I believe I probably could clear the matter up for him and remove his doubts on some points.

Mr. THYE. Mr. President, I call the attention of the junior Senator from Louisiana to the language in section 4 of the substitute measure. I also call his attention to the language of section 4 of the original measure. Let him read them for himself and determine whether there is any similarity, word for word, line for line, paragraph for paragraph.

Mr. LONG. I am sure they are not line for line the same, but will the Senator refer me to the particular items to which he objects? Possibly I can explain to him, insofar as the differences

between the two measures are concerned, what the logic was in arriving at the particular differences.

Mr. THYE. Mr. President, I must call the attention of the junior Senator from Louisiana to the fact that although it was explained to us that the only change made was the change in the salary levels or the salary figures, if one attempts to compare the two bills, and read them line for line and paragraph for paragraph it is impossible to find in the substitute the various classifications and positions listed in such a way as to be understandable.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. THYE. Yes, indeed; I am happy to yield.

Mr. JOHNSON of Colorado. I am glad the Senator will yield. If the Senator will find any position in the bill which came from the committee, I shall show him the same position in the substitute bill. Of course, as I tried to say a moment ago, we did change them around and group them in different salary brackets. We could not have the same sections, of course. We had to move them about in order to maintain some sort of order, and not to have an assistant or deputy getting more money than the head of the department.

Mr. THYE. Then, Mr. President, I may say to the senior Senator from Colorado that the regrouping and reclassifying make it most difficult to understand the classifications, the groups put into them, and the amount of salary. The Senator stated they were regrouped and reclassified.

Mr. JOHNSON of Colorado. There were a few variations, of course. The substitute is not identical with the original bill, but the positions are identical. I am talking about the positions.

Mr. THYE. Mr. President, that is my criticism of the substitute measure, that in the regrouping and reclassification one is at a loss to know whether all have been regrouped, whether all have been reclassified, or whether some have been dropped and others placed in a higher classification. For example, on page 9, section 4 of the original bill, we find the rate of basic compensation of members of the Board of Governors of the Federal Reserve System, members of the Home Loan Bank Board, the Public Housing Commissioner, the Federal Housing Commissioner, the Director of Aeronautical Research of the National Advisory Committee on Aeronautics, members of the Civil Aeronautics Board, the chairman of the board of directors, and so on. I could go on to the next page and read further. If we turn to section 4, page 4, of the substitute bill, we find an entirely different classification. For example, we do not know how the Board of Governors of the Federal Reserve System were classified. That is my purpose in calling attention to the substitute measure. It leaves one in doubt as to whether it is a hodgepodge or whether it has been consistently arranged, so that the intent



of the committee, after much study, has been fully carried out in the substitute measure. The bill has always been subject to amendment, I agree. I personally have offered an amendment, and I shall offer other amendments to the next classified service pay schedule, possibly, but the fact is that a whole substitute measure now lies before the Senate to take the place of what originally was the bill recommended by the committee.

Mr. JOHNSON of Colorado. Mr. President, if the Senator will yield, of course the positions he finds in one section of the original bill will be found in one section or another of the substitute bill.

Mr. THYE. May I ask a question?

Mr. JOHNSON of Colorado. Yes.

Mr. THYE. Where?

Mr. JOHNSON of Colorado. What position is the Senator referring to?

Mr. THYE. I shall confine the question to those listed under section 4 of the original bill. Where are they listed in the substitute bill? I am calling the Senator's attention to how difficult it is to follow the substitute measure.

Mr. JOHNSON of Colorado. Most of those positions are placed in the \$15,000 category; some of them, in the \$14,000 category.

Mr. THYE. Where is the language which indicates they are so placed?

Mr. LONG. Mr. President, if the Senator will yield, many of those officials are already receiving \$15,000, and they were not included in the substitute, because there is no use passing a law to fix a man's salary at the same point at which it has already been fixed by previous law. They were therefore simply omitted.

Mr. THYE. I call that to the attention of the chairman of the subcommittee. It is difficult to follow this measure, because no mention is made in the substitute of some of the provisions contained in the original bill.

Mr. LONG. May I point out to the Senator, it is necessarily that way. The committee report would have explained it, if the substitute had been the committee's action. But since it was not the committee's action, there was no basis for a committee report explaining the differences between the two. If the Senator would like to know all the officials left out of the substitute because they were receiving the same salary they would receive by virtue of the bill, I could list them for him.

Mr. THYE. That is exactly the question, because there are many who are in doubt as to whether the substitute measure represents the convictions of the Committee on Post Office and Civil Service, which devoted so much time to the study of the entire matter.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THYE. Indeed, I am happy to yield.

Mr. MAYBANK. I merely want to say to the distinguished Senator from Minnesota, I think both he and I made a mis-

take last evening in connection with the Board of Governors of the Federal Reserve System, because I had been led to believe that their salaries had been increased to \$16,000. I so stated on the floor in answer to the Senator from Massachusetts [Mr. SALTONSTALL]. I think the distinguished Senator from Minnesota understood that, or believed that was in the substitute bill. I now find there has been no raise whatever. I was going to ask unanimous consent to have the statement which I made corrected in the RECORD.

I will say further to the Senator from Minnesota that I intended to introduce a separate bill with respect to the Federal Reserve Board. The Federal Reserve Board costs the Government nothing, and it has prestige throughout the world. I was highly shocked this morning to find out how difficult it was to follow the changes in the bill and the substitute amendment. The Senator from Minnesota and I both had difficulty in understanding it.

Mr. THYE. It was the language in reference to those who had been omitted that left us in doubt as to the intention. If there had been some explanation it would have been much easier for us to follow it through and know what had been done as to the specific groups which had been omitted.

Mr. LONG. Mr. President, I hope we shall be able to go on with this bill. I did not draft the substitute. I attempted to study it to see that it would not completely cast out the basis upon which the committee had worked.

I have here a comparison of salaries as recommended by the committee, and what they are at the present time.

There were certain rules followed by the drafters of the substitute. Aside from five White House positions, and aside from the Cabinet, they felt that through this bill, no one should receive more than \$15,000. There are quite a few persons who are already receiving more than \$15,000. That being the case, since their salaries are not going to be increased, there was no reason for placing them in the bill.

I do not believe it would be very difficult for the Members of this body, especially those who signed their names to the substitute, to see what the general purpose and theory were in drafting the bill.

Mr. President, we have spent much time today. It is because we spend so much time that the Senate is occasionally criticised. We have been here a full working day, and we have disposed, once again, of the Ferguson amendment. It has been voted on five or six times in the past, and each time it has been defeated. We have spent a couple of hours discussing whether the general counsel and the counsel of the Treasury Department should have their salaries increased to \$14,000 or whether \$12,500 would be enough. We have argued whether Clyde Tolson should receive \$14,000 or \$12,500.

I do hope we can proceed with the bill. If we discuss every official who some Senator knows to be particularly deserving, we can be here all the rest of this year and all of next session, because there are many competent persons whose capabilities and virtues could be extolled. The only way we can arrive at a result is to try to work out a form of organization and make the salaries fit that pattern. I must commend the distinguished Senator from Virginia [Mr. BYRD], for the reason that when he saw the substitute he had an analysis made by departments, starting with the department head, the assistants, and so on down the line. I think he found a few inconsistencies—not many.

Mr. Clyde A. Tolson is Associate Director of the Federal Bureau of Investigation, which is a very important bureau. Since it is not an independent agency, we would not logically treat a bureau within a department as we would treat an independent agency.

The Tennessee Valley Authority is an independent agency and has been since it was established. Bonneville is not an independent agency. It falls within the Department of Interior.

So we shall hear argument as to how much more important Bonneville is than is TVA, although one is a subdivision of the Department of the Interior and the other is an independent agency. But if we drift away from following some general pattern, and discuss how important someone's job may be, and what wonderful efficiency a particular individual has, we shall never pass a pay-increase bill. I hope, Mr. President, we can follow a pattern and vote on the bill.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LONG. I yield the floor.

Mr. LANGER. I should like to ask the Senator a question. The Senator said he had a list of all persons who receive \$15,000. Would the Senator mind reading their names?

Mr. LONG. I would say to the Senator that they are in the report. Those receiving salaries of \$22,000 or \$22,500 are listed first. As the Senator will see, the list comprises two and a half pages of fine print. I should be glad to show it to the Senator, or to have it inserted in the RECORD.

Mr. LANGER. With the substitute bill there is no report.

Mr. LONG. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD a list of the positions which, under this bill, would receive an increase in salary, and the extent of the increase, as well as those which would receive no increase. The table compares the present pay of the various positions and the pay as passed by the House, as recommended in the original Senate version, and as provided in the substitute adopted last night by the Senate.

There being no objection, the table was ordered to be printed in the RECORD, as follows:



TABLE I.—Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689, as passed by the House, and the effect of the Senate amendments to this proposal

Position	Number	Present	H. R. 1689 as passed by the House	H. R. 1689 proposed by the Senate	Substitute amendment
Sec. 1:					
Secretary, Department of Agriculture.....	1	\$15,000.00	\$25,000	\$25,000	\$22,500
Secretary, Department of Commerce.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of the Interior.....	1	15,000.00	25,000	25,000	22,500
Attorney General, Department of Justice.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of Labor.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of Defense.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of the Air Force.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of the Army.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of the Navy.....	1	15,000.00	25,000	25,000	22,500
Postmaster General, Post Office Department.....	1	15,000.00	25,000	25,000	22,500
Secretary, Department of State.....	1	15,000.00	25,000	25,000	22,500
Secretary, Treasury Department.....	1	15,000.00	25,000	25,000	22,500
Administrator for Economic Cooperation.....	1	20,000.00	20,000	25,000	-----
Sec. 2 (a):					
Comptroller General of the United States.....	1	12,000.00	20,000	20,000	15,000
Chairman, Council of Economic Advisers.....	1	15,000.00	20,000	20,000	-----
Director of the Bureau of the Budget.....	1	10,000.00	20,000	20,000	15,000
Chairman, National Security Resources Board.....	1	14,000.00	20,000	20,000	15,000
Administrator, Federal Security Agency.....	1	12,000.00	20,000	20,000	15,000
Administrator of Veterans' Affairs.....	1	12,000.00	20,000	20,000	15,000
Administrator, General Services Administration.....	1	-----	20,000	20,000	15,000
Housing and Home Finance Administrator.....	1	16,500.00	18,000	20,000	-----
Under Secretary, Department of Agriculture.....	1	10,330.00	20,000	20,000	15,000
Under Secretary, Department of Commerce.....	1	10,000.00	20,000	20,000	15,000
Under Secretary, Department of the Interior.....	1	10,330.00	20,000	20,000	15,000
Under Secretary, Department of Labor.....	1	10,330.00	20,000	20,000	15,000
Under Secretary of Defense.....	1	12,000.00	20,000	20,000	15,000
Under Secretary, Department of the Air Force.....	1	10,000.00	20,000	20,000	15,000
Under Secretary, Department of the Army.....	1	10,000.00	20,000	20,000	15,000
Under Secretary, Department of the Navy.....	1	10,000.00	20,000	20,000	15,000
Under Secretary, Department of State.....	1	12,000.00	20,000	20,000	15,000
Under Secretary, Treasury Department.....	1	10,330.00	20,000	20,000	15,000
Assistant to the Attorney General, Justice.....	1	10,330.00	20,000	20,000	15,000
Solicitor General of the United States, Justice.....	1	10,330.00	20,000	20,000	15,000
First Assistant Postmaster General, Post Office.....	1	10,330.00	20,000	20,000	15,000
Sec. 2 (b):					
White House officials designated by the President:					
6 administrative assistants.....	12	(1) 15,000.00	(2) 20,000	(2) 20,000	(2) 20,000
The Executive Secretary, National Security Council.....		(1) 12,000.00	(3) 18,000	(3) 18,000	(3) 18,000
5 other secretaries or other immediate assistants.....		(9) 10,330.00	(7) 16,000	(7) 16,000	(7) 15,000
		(1) 10,000.00			
Sec. 3 (a):					
Chairman, Atomic Energy Commission.....	1	17,500.00	18,000	18,000	-----
Chairman, Munitions Board.....	1	14,000.00	18,000	18,000	15,000
Chairman, Research and Development Board.....	1	14,000.00	18,000	18,000	15,000
Deputy Administrator for Economic Cooperation.....	1	17,500.00	18,000	18,000	-----
Assistant Comptroller General of the United States.....	1	10,330.00	18,000	18,000	14,000
Assistant Director of the Bureau of the Budget.....	1	10,330.00	18,000	18,000	14,000
Deputy Administrator of Veterans' Affairs.....	1	10,330.00	18,000	18,000	14,000
Chairman, Board of Directors, Reconstruction Finance Corporation.....	1	15,000.00	16,000	18,000	-----
Comptroller of the Currency.....	1	15,000.00	16,000	18,000	-----
Sec. 3 (b): Director, Administrative Office of the U. S. Courts.....					
	1	10,330.00	15,000	16,000	15,000
Sec. 3 (c):					
Public Printer.....	1	10,330.00	17,500	17,500	15,000
Librarian of Congress.....	1	10,330.00	17,500	17,500	15,000
Members (other than Chairman), Council of Economic Advisers.....	2	15,000.00	17,500	17,500	-----
Director of Central Intelligence.....	1	14,000.00	17,500	17,500	15,000
Federal Mediation and Conciliation Director.....	1	12,000.00	17,500	17,500	15,000
Assistant Federal Security Administrator.....	1	10,330.00	17,500	17,500	14,000
Director, Federal Bureau of Investigation.....	1	14,000.00	17,500	17,500	15,000
Deputy Under Secretary of State.....	2	10,330.00	15,000	17,500	14,000
Sec. 4:					
Members, Board of Governors, Federal Reserve System.....	7	15,000.00	16,000	16,000	-----
Members, Home Loan Bank Board.....	3	15,000.00	-----	16,000	-----
Public Housing Commissioner.....	1	15,000.00	-----	16,000	-----
Federal Housing Commissioner.....	1	15,000.00	-----	16,000	-----
Director of Aeronautical Research, National Advisory Committee for Aeronautics.....	1	10,330.00	16,000	16,000	15,000
Members, Civil Aeronautics Board.....	4	12,000.00	16,000	16,000	15,000
Chairman, Board of Directors, Export-Import Bank of Washington.....	1	11,500.00	16,000	16,000	-----
Members, Federal Communications Commission.....	7	15,000.00	16,000	16,000	15,000
Board of Directors, Federal Deposit Insurance Corporation.....	2	10,000.00	16,000	16,000	15,000
Members, Federal Power Commission.....	5	15,000.00	16,000	16,000	15,000
Members, Federal Trade Commission.....	5	10,000.00	16,000	16,000	15,000
Members, Interstate Commerce Commission.....	11	12,000.00	16,000	16,000	15,000
Members, National Labor Relations Board.....	5	12,000.00	16,000	16,000	15,000
Members, National Mediation Board.....	3	10,000.00	16,000	16,000	15,000
Members, Railroad Retirement Board.....	3	10,000.00	16,000	16,000	15,000
Members, Securities and Exchange Commission.....	5	10,000.00	16,000	16,000	15,000
Board of Directors, Tennessee Valley Authority.....	3	10,000.00	16,000	16,000	15,000
Members, Civil Service Commission.....	3	10,000.00	16,000	16,000	15,000
Chairman, United States Maritime Commission.....	1	12,000.00	16,000	16,000	-----
Members, United States Tariff Commission.....	6	10,000.00	16,000	16,000	15,000
Members (other than Chairman), Atomic Energy Commission.....	4	15,000.00	16,000	16,000	-----
General Counsel, National Labor Relations Board.....	1	12,000.00	16,000	16,000	15,000
Architect of the Capitol.....	1	10,330.00	16,000	16,000	15,000
Deputy Administrator of General Services.....	1	-----	16,000	16,000	14,000
Sec. 5 (a):					
Housing Expediter.....	1	12,000.00	15,000	15,000	14,000
Director of Selective Service.....	1	12,500.00	15,000	15,000	14,000
Assistant Architect of the Capitol.....	1	9,985.80	15,000	15,000	14,000
Members, Displaced Persons Commission.....	3	10,000.00	15,000	15,000	14,000
Members, Indian Claims Commission.....	3	10,000.00	15,000	15,000	14,000
Members, War Claims Commission.....	3	12,000.00	15,000	15,000	14,000
Members, Philippine War Damage Commission.....	3	12,000.00	15,000	15,000	14,000
Assistant Secretary, Department of Agriculture.....	1	10,305.00	15,000	15,000	15,000
Assistant Secretary, Department of Commerce.....	2	10,000.00	15,000	15,000	15,000
Assistant Secretary, Department of the Interior.....	2	10,330.00	15,000	15,000	15,000
Assistant Secretary, Department of Labor.....	3	10,330.00	15,000	15,000	15,000
Assistant Secretary, Department of Air Force.....	2	10,000.00	15,000	15,000	15,000
Assistant Secretary, Department of Navy.....	2	10,000.00	15,000	15,000	15,000
Assistant Secretary, Department of Army.....	2	10,000.00	15,000	15,000	15,000
Assistant Secretary, Department of State.....	8	10,330.00	15,000	15,000	15,000
Assistant Secretary, Department of Treasury.....	2	10,330.00	15,000	15,000	15,000
Fiscal Assistant Secretary, Department of Treasury.....	1	10,330.00	15,000	15,000	15,000



TABLE I.—Positions affected by H. R. 1689, describing present pay, amounts proposed in H. R. 1689, as passed by the House, and the effect of the Senate amendments to this proposal—Continued

Position	Number	Present	H. R. 1689 as passed by the House	H. R. 1689 proposed by the Senate	Substitute amendment
Sec. 5 (a):—Continued					
Assistant Attorney General, Department of Justice.....	8	\$10,330.00	\$15,000	\$15,000	\$15,000
Assistant Solicitor General, Department of Justice.....	3	10,305.00	15,000	15,000	15,000
Counselor, Department of State.....	1	10,000.00	15,000	15,000	15,000
Second Assistant Postmaster General, Post Office.....	1	10,330.00	15,000	15,000	14,000
Third Assistant Postmaster General, Post Office.....	1	10,330.00	15,000	15,000	15,000
Fourth Assistant Postmaster General, Post Office.....	1	10,330.00	15,000	15,000	14,000
Associate Federal Mediation and Conciliation Director.....	1	10,330.00	15,000	15,000	14,000
Deputy Director, Central Intelligence.....	1	10,000.00	15,000	15,000	14,000
Philippino Alien Property Administrator.....	1	10,000.00	15,000	15,000	15,000
Chief Assistant Librarian of Congress.....	1	10,330.00	15,000	15,000	14,000
Deputy Public Printer.....	1	10,330.00	15,000	15,000	14,000
Members (other than Chairman), Board of Directors, Export-Import Bank of Washington.....	3	12,000.00	15,000	15,000	15,000
Members (other than Chairman), Board of Directors, Reconstruction Finance Corporation.....	4	12,500.00	15,000	15,000	15,000
Members (other than Chairman), U. S. Maritime Commission.....	4	10,000.00	15,000	15,000	15,000
Commissioners, U. S. Court of Claims.....	13	9,707.00	15,000	15,000	14,000
Governor, Alaska.....	1	10,330.00	15,000	15,000	15,000
Governor, Hawaii.....	1	10,330.00	15,000	15,000	15,000
Governor, Virgin Islands.....	1	10,330.00	15,000	15,000	15,000
Governor, Panama Canal.....	1	10,000.00	15,000	15,000	15,000
Sec. 5 (b): Assistant Director, Administrative Office of the U. S. Courts.....	1	9,707.00	10,000	15,000	14,000
Sec. 5 (c):					
Legislative counsel, House of Representatives.....	1	12,000.00	12,000	12,000	12,000
Legislative counsel, Senate.....	1	12,000.00	12,000	12,000	12,000
Sec. 6:					
Compensation of chairman or other head of board or commission having important duties or responsibilities not imposed upon other members of such board or commission may be fixed by the President at \$18,000.					
Archivist of the United States.....	1	10,000.00	15,000	-----	14,000
Administrator, Production and Marketing Administration.....	1	10,330.00	15,000	-----	14,000
Commissioner of Internal Revenue.....	1	10,330.00	15,000	-----	15,000
Director, Bureau of Prisons.....	1	10,330.00	15,000	-----	14,000
Commissioner of Public Roads.....	1	10,330.00	15,000	-----	15,000
Commissioner of Public Buildings.....	1	10,330.00	15,000	-----	14,000
Commissioner of Community Facilities.....	1	10,330.00	15,000	-----	14,000
Commissioner of Immigration and Naturalization.....	1	10,330.00	15,000	-----	14,000
Administrator of Civil Aeronautics.....	1	12,000.00	15,000	-----	15,000
Administrator, Rural Electrification Administration.....	1	10,330.00	15,000	-----	15,000
Commissioner for Social Security.....	1	10,330.00	15,000	-----	14,000
Commissioner of Reclamation.....	1	10,330.00	15,000	-----	14,000
Chief, Soil Conservation Service.....	1	10,330.00	15,000	-----	14,000
Commissioner of Customs.....	1	10,330.00	15,000	-----	14,000
Commissioner of Narcotics.....	1	10,330.00	15,000	-----	14,000
Governor, Farm Credit Administration.....	1	10,000.00	15,000	-----	14,000
Chief Forester, Forest Service.....	1	10,000.00	15,000	-----	14,000
Administrator, Farmers Home Administration.....	1	10,000.00	15,000	-----	14,000
Manager, Federal Crop Insurance Corporation.....	1	10,330.00	15,000	-----	14,000
Special Assistants to the Secretary of Defense.....	3	10,000.00	15,000	-----	15,000
Director, Bureau of Federal Supply.....	1	10,330.00	15,000	-----	14,000

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. McCARTHY. I should like to invite the Senator's attention to something which he may have overlooked. The Senator has made a very good argument with regard to following a pattern. I am not going off on tangents and offer amendments. The Senator has listed all those persons who will receive \$15,000—

Mr. LONG. I did not list them.

Mr. McCARTHY. They are listed. There is a listing of all who will receive \$15,000. In that listing we find the Director of the Federal Bureau of Investigation and the Director of Central Intelligence. In other words, in section 3 the Directors of both those agencies are made co-equal so far as salaries are concerned. I wonder if this is not an oversight:

We turn to section 4 in which the \$14,000 men are listed. The salary of the Deputy Director of Central Intelligence is made \$14,000 a year. However, there is omitted the assistant to a man who in the previous section is to receive \$15,000. I wonder if it is not much more of a logical pattern to say that in view of the fact that the Director of the Bureau of Investigation and the Director of Central Intelligence shall be co-equal, so far as salary is concerned, the assistant or

deputy directors should be equal, so far as salary is concerned.

Mr. LONG. The reason is that there are various and sundry people pushing up against the \$15,000 limit that is proposed here. There are people of various degrees of responsibility coming up to that limit. One of them happens to be the head of an independent agency whose assistant could be included logically, and the other happens to be the head of a bureau which falls within one of the departments.

Mr. McCARTHY. I am afraid the Senator did not get my thought. In section 3 there are listed a vast number of bureau heads who would get the \$15,000 salary. In section 4 are listed practically all assistants to the \$15,000 a year man, and they will get \$14,000. My question is, was it an oversight that in section 4 the assistant to the head of the FBI was not included? I think it is a direct slap in the face of that man when he is singled out and eliminated. In other words, we are not following the pattern.

Mr. LONG. I am sure the Senator well knows that the Hoover Commission said that it was taking a slap at the FBI not to make it an independent agency. It was recommended that it be an independent agency, but there it is as a part of the Department of Justice, and in the scale of the organization of the Government it is further down the line than an

independent agency. Mr. J. Edgar Hoover should be raised to \$15,000, and there are several other cases in which people in comparable positions were pushed up who were in the departments, but the independent agencies could have one additional person, and therefore the Central Intelligence Agency could have the one assistant at \$14,000.

Mr. McCARTHY. Finally, in section 3 it is provided that, regardless of whether the FBI is an independent agency or what it is, the head of that agency shall be placed in the \$15,000-a-year class, in the same class with the head of the Central Intelligence Agency. I think that was rightly done. In the next section it is provided that practically all the assistants to these bureau or agency heads who are getting the \$15,000, shall be paid \$14,000. Practically the only assistant, or deputy, whatever he may be called, who has been eliminated, is the Associate Director of the FBI, and I wonder why he was singled out. The Senator says we must follow a pattern, that we cannot go off on tangents. The Senator is going off on a contradictory tangent when he says that here is a vast number of men—I have not counted them, perhaps 60 or 70—who will get \$15,000 a year and all of their assistants except in the case of the FBI will get \$14,000.



Mr. LONG. The reason is that the general theory of the bill is that the assistant to the assistant is not included. In the top pay bill are included many assistants, and in this particular case J. Edgar Hoover would be looked upon as an assistant to the Attorney General and placed in the same \$15,000 category with other assistants. But Mr. Tolson is an assistant to the assistant, and therefore, in trying to line them up as to where they stand in the formal organization, the FBI is a subdivision of the Department of Justice, and the assistant to the head of the Bureau would not be included.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Oregon.

Mr. CORDON. Does the Senator feel that it is more important to tie a brass tag on a title than it is to pay for services rendered on the basis of value received?

Mr. LONG. I completely agree with the Senator's idea, and I agree to the justice and merit of the case he is espousing, that a man should get what he is worth, and should be paid in accordance with the service he is performing. But when we attempt to fix the salary for a position, it is the position and not the man that has the salary attached. If we try to analyze the importance of each individual we will never have a top pay bill, because I know of no standard on which everyone could agree.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Arizona.

Mr. McFARLAND. Is it not a fact that if Mr. Tolson were paid upon the basis of the bill passed by the House yesterday, the classification bill, he would receive \$15,000?

Mr. LONG. That is correct.

Mr. McFARLAND. We do not know what the Senate will do, but the truth is that Mr. Tolson is in the other bill, and belongs in the other bill.

Mr. LONG. Logically he does.

Mr. MUNDT. Mr. President, I wish to take just a very few minutes to correct what I am very much afraid may be a false impression which the country generally might get from the remarks of the Senator from New Mexico [Mr. ANDERSON] in discussing the FBI. Knowing the Senator as I do, and having served with him so long in the other body, I know he shares with me my high regard for the FBI. I am afraid that an erroneous conclusion might be drawn by the hasty reader of the CONGRESSIONAL RECORD, to the effect that not only was the Senator critical of the FBI, as I know he was not, but that he was charging to them a dereliction of duty, as I am sure he would not do.

I think the country generally fails to recognize the part the FBI plays in the whole picture of the loyalty investigation, as well as from the standpoint of checking other serious threats against the security of this country. We know the FBI is an investigating agency, that it makes the evidence it finds available to the appropriate authorities, who enforce the law and prosecute someone charged

with crime. The FBI is not, never has been, and in my opinion should not be, an evaluating agency, taking the facts which it itself finds and serving as a jury to determine what the punishment should be. It conveys the facts to others. Others then have the responsibility to act.

When we made available some \$700,000 for the loyalty check, which was very tardily engaged in, which certainly should have been engaged in energetically long before, I do not want the record to stand unchallenged that nobody was removed from Government office because of that FBI check. The \$700,000 were not wasted. The FBI did make its examination, it did make its check, it did supply the information to the proper sources, which were the departments involved in employing the disloyal people who were checked. Just this week the news stories came out in the Washington newspapers reporting that more than 250 disloyal Government employees were removed as a consequence of the FBI check, removed as a consequence of the information which the FBI made available to Government department heads, finding the information and turning it over, and the people being removed then by departmental action.

Therefore I do not think that the FBI should by any remote chance of misinterpretation be charged before the country as having conducted a \$700,000 investigation which produced no results.

Not only that, but many times more than the two-hundred-and-some-odd disloyal people removed by their superiors on the basis of the facts found by the FBI also resigned their positions voluntarily when they discovered that they were being checked against disloyalty and subversive lists published by the Attorney General and their own records of disloyal utterances and actions.

So, Mr. President, the FBI has fulfilled its duty well, as it always does, and I am sure that the Senator from New Mexico had that in mind. I simply wanted to make it clear to those who might not understand the situation.

Mr. ANDERSON. Mr. President, I agree fully with what the Senator from South Dakota has said. The only thing I regret is that the burden had to fall back upon administrative officials to make decisions which it was difficult for them to make. I am sure that sometimes people had the finger pointed at them when it should not have been, and possibly others escaped entirely.

Mr. MUNDT. I went through the same mental metamorphosis myself as a Member of the other body when I started introducing the resolutions, which have now become routine in our foreign-aid program, providing that personnel engaged in foreign-aid programs must be certified by the FBI. My first resolutions on the House side provided that the FBI should check and should certify as to the loyalty of such persons.

I think it was the senior Senator from Texas [Mr. CONNALLY] who said in the conference report that the FBI should not have that authority. It did not want it. It said it was entirely out of its ap-

propriate sphere of activity. So in conference we modified my security amendment to provide that the FBI should make the check and the ECA authorities take its findings into consideration in making its appointments.

I did not want anyone to feel that the organization which has done such a remarkable job in peacetime and war as the FBI has performed might be charged with having spent some \$700,000 uselessly.

Now just a word or two on the amendment before us. The amendment is a simple one. Are we by our roll-call action going to include the Associate Director of the FBI on the same level as the Deputy Director of the Central Intelligence Agency? That is the issue. Clyde Tolson happens to be the individual involved. But this is not a discussion of whether Clyde Tolson, the man, deserves a \$2,000 or a \$4,000 increase.

We were told repeatedly during the course of the debate that this was not only a pay-raise bill, but that this was a bill to equalize disparities and inequalities, that this was a bill to adjust and adjudicate gross inequalities which have existed. Well, Mr. President and Senators, here you are. You have such an inequality now before you for consideration. Here is a gross and a grievous inequality. This is the chance and now is the time and here is the bill to correct that inequality. Do we want to freeze and establish an organization table, of which the Senator from Louisiana has spoken so fluently and so effectively? Do we want to freeze an organization table with staggered legs, one leg the Director of the Central Intelligence Agency at a certain level, the other leg the Director of the FBI at the same level, and over here at the other edge of the table the Deputy Director of the Central Intelligence Agency at still another level, and then saw off the FBI leg halfway up? I think the table should stand on all four legs on a sound and equitable basis.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. McFARLAND. The Senator is aware, is he not, that under the bill passed by the House yesterday Mr. Tolson would receive \$15,000. Would the Senator want to place him in another bill and reduce his salary to \$14,000?

Mr. MUNDT. The bill now provides that he is excluded from the \$14,000. I want to put him in the \$14,000 level exactly the same as the Deputy Director of the Central Intelligence Agency.

Mr. McFARLAND. I do not know what the Senate will do with the bill passed by the House. What I say to the Senator is that Mr. Tolson belongs in the other bill. He is in the other bill. According to the House version he will receive \$15,000.

Mr. MUNDT. By "the other bill" the Senator is not referring to the substitute, the Johnson amendment, on which we are now acting?

Mr. McFARLAND. No. I refer to the classified civil-service bill. If the amount in that bill is reduced to \$12,500,



Mr. Tolson will receive \$12,500. But it is our contention that Mr. Tolson would do better to go along with the classified civil service; that he would be better off in the long run to do so. He is a civil-service employee. As a civil-service employee he has certain rights and benefits he would not otherwise receive. He now receives credit for his length of service, and so forth.

Mr. MUNDT. By including him in the pending bill we would not in any way change his relationship in that connection. We would simply be fixing him at a salary level which is commensurate with and equal to that of a man doing the same kind of job in the Central Intelligence Agency, and with the same responsibility.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. LONG. Actually, would it not solve the whole question if, rather than putting him in a pay raise bill, making an exception of him in this connection, we carried out the Hoover recommendation to make the FBI an independent agency, and placing the FBI on the same basis as the Central Intelligence Agency?

Mr. MUNDT. I have been through that argument a great many times. We have had numerous discussions of that subject in the other body of Congress. The FBI itself does not believe it should be an independent agency. The FBI believes it can function better in the relationship it now has, which is a workable and effective relationship, because in wartime and in peace it has demonstrated its effectiveness. No President has tried to play politics with it. It has been out of partisan politics.

We are confronted with one big question. Are we going to hogtie ourselves, are we going to place ourselves in a strait-jacket, because it might be necessary to make an exception in a case where an exception should be made in order to equalize a situation, in order to correct an injustice, which is what has been said is the purpose of the bill? Now is the time to do it, and for all time we can then have these two great investigative agencies on a coordinate basis.

Mr. President, I appeal to Senators to correct the inequality which exists, not because Mr. Tolson is involved, but because we would establish a pattern of equality, we would do what is fair and right. I urge the adoption of the amendment offered by the senior Senator of New Hampshire.

Mr. CORDON. Mr. President, I rise in support of the pending amendment, and in denunciation of the pending measure, and of the method by which it has arrived at the point where it now is, and to apologize for having voted for the deal which was made, as evidenced by the substitute for the committee amendment.

Let me say first, Mr. President, that I entered into the consideration of this matter viewing it as a necessary chore to be done, as an act of simple justice to a group of employees of the Federal Government. I did not feel that there was any particular call to shed crocodile tears over those who were holding positions

of political preferment. In that respect I am in entire agreement with my distinguished friend the senior Senator from Georgia [Mr. GEORGE].

Mr. President, I should like to have supported the bill. I should like to have supported the suggested amendment which would have placed the third coordinate division of Government, the Congress, on a level with the second level of another coordinate division, the executive. I think perhaps it would be unwise to attempt that at this time, otherwise I should, and then I should oppose the bill in its present shape and with its present history.

Mr. President, we have clearly now before us the evil of this type of compromise where, in order to get something done on the record we appear to be willing to shut our eyes to the cause of equity.

I have witnessed strange things during this debate; apologies from those who prepared the compromise or substitute bill, and apologies from those who accepted it; acknowledgments from both sides that it is not what it purports to be, with clear evidence that it is shot through with inequities. I regret my vote for it.

At least the committee which brought out the original bill had some kind of pattern. Today we do have a first-class jig-saw puzzle scrambled in it. That is perfectly clear from a casual glance at the substitute. We might have had a good bill, Mr. President, if those who reached the agreement had not concluded to close their minds to any argument, to close their minds to any proof, however strong, of the inequities existing in the bill, if they had been willing to accept amendments when the proof showed they were not only desirable but compelling, if the job was to be done which was sought to be done.

Mr. President, I had intended to offer an amendment to the bill to correct a manifest injustice. I shall not offer it, but I desire to discuss it because it exemplifies one of the injustices here being done. I would not have offered the amendment to the original bill. The Senator from Vermont [Mr. FLANDERS] gave a rational explanation for the type of bill which was offered. There was reason for the exclusion of a Federal position of real importance; but when the substitute came along the pattern which had been set up and followed by the committee had become scrambled. The reasons the committee had for the action it took ceased to be applicable because the facts were different.

There was added to the substitute a series of positions in government which were not in the original or committee bill but were left out because they could all be taken care of, and equity as between them and among them could be done, in connection with other legislation. A portion of those taken out were included in the substitute; a portion were excluded. The result is that we have before us now a measure which will either require the Civil Service Commission to undo what we do here today, or require reconsideration at a later time

at the hands of the Congress, if we are to pay taxpayers' money for value received and use that yardstick as our measure.

Mr. President, there is included in the bill, and there was included in the committee amendment, the Tennessee Valley Authority Board. That group has certain duties which are generally known. In the Pacific Northwest we have the Bonneville Power Administration, with a single Administrator instead of a board. We have there an organization of government engaged in business. We have there an investment in hydroelectric facilities in two dams the over-all cost of which exceeds a quarter of a billion dollars. We have an investment in transmission facilities alone in that area of \$109,000,000. We have 3,455 miles of high-power transmission lines and 93 major switching stations covering two States and part of a third. That agency has done a gross business and received a gross income since 1938 of \$149,313,052, which has been paid into the Federal Treasury, not taken out. Of that there has been credited to the Bureau of Reclamation \$43,618,680; to the credit of Bonneville Dam to repay the initial capital cost, \$29,208,000; to be credited against \$109,000,000 in transmission facilities, \$68,937,958.

Mr. President, that is big business. That represents the outstanding electric operation in government in the United States. The Administrator of the Bonneville Power Administration is the director of a construction agency, in the first instance, which will spend this year in additional capital investment approximately \$30,000,000. He will presently have the additional duty of distributing from two dams more power than the total generated and distributed by the Tennessee Valley Authority area as a whole. He is responsible for integration and distribution of all the electric power in two States and part of a third at this time. That power is pooled. As a result the power serves more than 3,500,000 people.

He is not an appointee to carry out directions of the Secretary of the Interior, in the sense that the Secretary appoints his assistants and others. He holds his position by virtue of a special act of Congress. That act set his salary in 1937 at \$10,000 a year. He was not included in the committee bill. He is not included in the substitute. Nor, under the proposed legislation which will follow this, if I am to take the facts as they have been given on the other side, can he get a salary approximating the lowest set here of \$14,000 a year. I cite that only as one example of the thing we are doing.

Mr. President, I shall not offer an amendment. I prefer to let this matter go, and let that office take its place with that of others who are equally deserving and who will be equally prejudiced by the action taken on this bill.

In the past few days we have seen one offer after another of amendments to the bill. Every one of them that I have heard presented was absolutely sound. A showing was made of services, not titles—services warranting the salary requested in



the amendment. Perhaps the title was not quite as high as some of the titles set by those who have agreed to the substitute amendment, but the job which is done, the value received by the American people, would entitle the holder of the office to the salary requested in the amendment which was presented, in every instance that has come to my attention.

Mr. President, I regret that we are faced with a situation in which those who have agreed upon the substitute solely for the purpose, as they have stated, of getting a bill, have taken the position that they must not open the bill to any amendment with reference to any particular office, and that even though it is not good legislation, even though it will result in unfair discrimination to Government service, still, in order to get some bill passed, they must act on that basis.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. I thank the Senator.

Mr. President, the Senator understands, of course, that the provision made by the substitute is identical with the provision made by the original bill, insofar as concerns the two matters the Senator is now discussing.

Mr. CORDON. I do not so understand.

Mr. JOHNSON of Colorado. The Senator from Oregon submitted to the substitute his amendment providing for inclusion of increases in the salaries paid to certain Bonneville officials, did he not?

Mr. CORDON. I would have submitted it, had I had an opportunity to have it given consideration. I am not going to submit it.

Mr. JOHNSON of Colorado. Certainly neither measure contained provision for increasing the salaries of Bonneville officials, and neither measure contained provision for increasing the salary of the office that is covered by the amendment of the Senator from New Hampshire. Is that not correct?

Mr. CORDON. That is correct. To that extent they have similar characteristics: Both of them were wrong in that respect.

Mr. JOHNSON of Colorado. Mr. President, I say to the Senator from Oregon that those of us who were very active in drafting the substitute followed the pattern of the committee bill.

Mr. CORDON. Let me suggest to the Senator that the pattern of the original bill was to increase the salaries of a certain group of high-level Government officials, but to leave out provision for increasing the salaries of other Government officials, leaving them to be fixed by certain standards subsequently to be set, and that is not the way the substitute is drawn.

Mr. JOHNSON of Colorado. We included provision for increasing the salaries of the positions covered by the committee bill.

Mr. CORDON. That is correct—and then added others.

Mr. JOHNSON of Colorado. We left out provision for those that were not covered by the committee bill.

So far as I am concerned, I have no objection to the Senator's amendment and I have no objection to the amendment of the Senator from New Hampshire. I do not see anything wrong with either of them.

Mr. CORDON. I thank the Senator from Colorado for retaining an open mind in regard to the matter.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Arizona.

Mr. McFARLAND. I think the Senator will admit that we have tried our best to work out a bill which will be fair to everyone. We included in the compromise provision for increasing all salaries which were covered by the original bill. It was the thought of the committee that provision for salary increases for the other officials was included in the classified-service-pay bill. We do not know what will happen in respect to the classified-service-pay bill, of course.

Let me suggest that so far as I am concerned, I would be willing to have these two amendments accepted and taken to conference, and then see how the classified-service-pay bill comes out. It may be that the Senator would not want the salaries of the officials now being considered to be covered by this measure, if it turns out that they will be placed in a better class under the classified-service-pay bill. Of course, they have retirement benefits which no one else in the Government has, except in the case of the Intelligence Division of the Treasury Department.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. LANGER. I wish the Senator to know that I object to having that kind of deal made on the floor of the Senate.

Mr. McFARLAND. Mr. President, it is not a deal; I am simply stating what I would be willing to have the conferees do, because the conferees on this bill probably will be the same Senators as the conferees on the classified-civil-service-pay bill. I would be happy to have the matter worked out in that manner.

Let me say that so far as I am concerned, I do not want the Senator to think we are not trying to work out a bill which will benefit everyone. I simply say it is very difficult, on the floor of the Senate, to work out satisfactory provisions for the various employees in the various classes.

Our choice in drafting the substitute was limited to the bill originally reported by the Senate Committee on Post Office and Civil Service or to the bill passed by the House.

The Senator from Arizona has no objection to having the two amendments under discussion taken to conference.

Mr. CORDON. Mr. President, I now refer to the committee report. I call attention to page 3 of the report, paragraph 8. At that point there appears a list of a group of positions, including the Director of the Bureau of Federal Sup-

ply, and ending with three special assistants to the Secretary of Defense, all of which positions were covered by the bill as it came from the House of Representatives, and all of which were deleted when the Senate committee reported the bill to the Senate. In that respect, the committee followed a pattern which it had set, and in the report it said that the salary increases for all those positions would be handled in a succeeding bill, the language being:

This amendment would drop these positions from the bill.

While most of these positions are of great importance and responsibility, they are in all cases below the level of the head of a department or independent agency and should be considered as positions coming within the position-classification bill, S. 2379, now on the Senate Calendar for consideration.

I shall read the list:

8. The Director of the Bureau of Federal Supply; Administrator, Production and Marketing Administration; Commissioner of Internal Revenue; Director of the Bureau of Prisons; Commissioner of Public Roads; Commissioner of Public Buildings; Commissioner of Community Facilities; Commissioner of Immigration and Naturalization; Administrator of Civil Aeronautics; Administrator, Rural Electrification Administration; Commissioner for Social Security; Commissioner of Reclamation; Chief, Soil Conservation Service; Commissioner of Customs; Commissioner of Narcotics; Governor of the Farm Credit Administration; Chief Forester of the Forest Service; Administrator of the Farmers Home Administration; Manager of the Federal Crop Insurance Corporation; the three Special Assistants to the Secretary of Defense.

As to those positions, the committee felt that, although they were important, they should be graded as to their importance and their salary level by applying yardsticks to be set up by the committee.

Yesterday the Senate, with the mistaken vote of the Senator from Oregon, elected not to follow that pattern, but to take from this group either all or a major portion—I have not determined which is the fact—and restore to the bill provision for increasing those salaries, and thus let the Congress state those salaries, but with no provision of a yardstick.

If there be question as to whether there was a yardstick, let us examine the list. We find among those who will have a congressional mandate for a salary of \$14,000, the Archivist of the United States, whose position was abolished and integrated with the General Service Administration by this very Congress, whose chief duty is that of a glorified filing clerk, and whose chief responsibility is met when he locks the door at the end of the day. Under such a provision, he would receive a salary of \$14,000 a year, whereas a man operating a business which has brought into the Federal Treasury one-hundred-and-forty-odd million dollars ranks below him; and such an arrangement is considered logical.

Mr. President, let us consider the Deputy Public Printer. I suspect that he may have some real chores. I have had little experience with that office. Ordinarily the Public Printer is a political appointee, and the Deputy Public Printer



has to know the job and has to run it. So I think he should be paid an adequate salary.

Let us consider the Chief Forester of the Forest Service. I know the present holder of that office, and I highly regard him. But he is chief of a service that has been in existence for over 40 years. Its policies certainly have been fixed during that period of time. To my knowledge its operations are decentralized in the States where the forest lands are situated. The trees which were growing when he took over that office—and when it was established, for that matter—for the most part are growing yet, and will continue to grow. The practices in regard to the administration of those 175,000,000 acres have been established for generations.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. MILLIKIN. And getting worse so far as oppression of the livestock growers is concerned.

Mr. CORDON. I thank the Senator. [Laughter.] The point I want to make is, I should like to see the yardstick by which the salary necessity of these offices was measured as compared, let us say, to the Associate Director of the Federal Bureau of Investigation or the Administrator of the Bonneville Power Administration, or a dozen others we might mention.

Mr. President, let us take another look at what we have here. Among the high top boys, the ones clear at the top, let us take a look. The Governor of the Virgin Islands, whose job would be tantamount to that of the mayor of the city of Frederick, Md., so far as population is concerned, receives \$15,000 a year under this substitute. We are not going to question that too much. After all, he does have the title of governor. We, by the way, do not have a chance to confirm him. I should like to have had a chance to confirm the present governor, however, because he is doing a grand job—not too big a job to do; but he is doing everything that is done there.

I shall not go into the rest of them. Senators have read them all. They know there is not rhyme or reason so far as measuring the value of services is concerned. It may be that in time we can so reorganize the executive departments as to bring the duties of the job up to the salary of the job; we may be able to do it. It is not being done in this bill. Mr. President, I have never made a motion of this kind before. I am not going to argue it beyond simply presenting it, but because to me the inequities here being done call for it, when the present matter is concluded I expect to make it.

I shall support the amendment offered by the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, I suggest the absence of a quorum.

Mr. McCARTHY. Mr. President, if the Senator will withhold the suggestion, I understand the Senator from Louisiana and the Senator from Arizona are

willing to take the amendment to conference.

Mr. LONG. I am willing to take it to conference, if the Senate will abide by the judgment of the conferees on the issue. It might become necessary in considering it to strike out both the Deputy Director of Central Intelligence as well as the Associate Director of the FBI, so that neither one would get mad at the other. It might come back the same as it is. But if the Senate will abide by the judgment of the conference, I am willing to go ahead and take it to conference and see whether we can work something out on it.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MUNDT. I take it the Senator recognizes the principle that the compensation of the two deputies should be equalized at whatever level it is put.

Mr. LONG. Certainly.

The PRESIDING OFFICER. The committee accepts the amendment.

Mr. CORDON. I move that the bill be recommitted.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. LUCAS. Are there other amendments?

The PRESIDING OFFICER. There are other amendments which have been offered but not called up.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. With reference to the last amendment, I do not think the committee can accept an amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HOLLAND. Mr. President, will the Senator from Oregon withhold his motion?

Mr. CORDON. I withhold the motion until the bill is perfected so far as may be.

Mr. HOLLAND. Mr. President, I should like to offer an amendment for myself and for the senior Senator from New Hampshire [Mr. BRIDGES].

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 3, after the word "annum", it is proposed to strike out the period, insert a semicolon, and add the following: "the rate of basic compensation of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall be, respectively, \$18,000 per annum."

Mr. HOLLAND. Mr. President, and Members of the Senate, if I may make brief remarks upon the amendment, I should like to say I am very sure the members of the committee, in reporting the committee substitute, and also the sponsors of the so-called Johnson substitute, which was adopted in place of the committee substitute, never intended to omit from the provisions of the bill the three military department secretaries; that is, of the Secretary of the Army, the Secretary of the Navy, and the Sec-

retary of the Air Force. However, the bill as now being debated, in my humble judgment entirely omits those three secretaries. I have checked the matter with the distinguished Senator from Colorado, the Senator from Arizona [Mr. McFARLAND], the Senator from Louisiana [Mr. LONG], the Senator from Vermont [Mr. FLANDERS], and various other Senators, and the judgment of all of us is that, without question, the bill now being debated, namely, the Johnson substitute, does in its legal effect completely eliminate the Secretaries of the three military departments.

In order that the RECORD may briefly show why that should be the case, I should like to make this statement at this time. When the original bill was drawn in the House of Representatives and later when the report upon the bill was filed, last May, the three Secretaries were the heads of executive departments, by law at that time, and therefore were included within section 1 of the House bill, which has been continued in identical words in the committee substitute and the Johnson substitute. They were included under general words that simply brought into the measure the heads of executive departments.

In the meantime, however, Mr. President, the so-called Tydings bill was passed, which accomplished further unification of the military forces, and was approved by the President on August 10, 1949. In order that the RECORD may be clear, I should like to quote two provisions of the law, which make it, I think, as clear as could be made, that the bill as now debated does omit these three important officials entirely. The first provision I quote is subsection (b) of section 4 of the so-called Tydings measure, which formally is known as the National Security Act amendments of 1949. The section reads as follows:

There shall be within the Department of Defense (1) the Department of the Army, the Department of the Navy, and the Department of the Air Force, and each such Department shall on and after the date of enactment of the National Security Act Amendments of 1949 be military departments in lieu of their prior status as executive departments.

I shall not quote the rest of the section. Mr. KNOWLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from California?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. By the Senator's amendment, is he putting the three Secretaries of the Departments of Defense on a parity with Cabinet officers, or is he putting them at a different amount?

Mr. HOLLAND. I may say to the Senator I am not. I am suggesting \$18,000 per year for each of them, and while I realize there might be some difference of opinion as to the proper amount, I think the distinguished Senator will see that under the so-called Tydings bill, it is very clear that their status is between that of the Deputy Secretary of Defense, which is dealt with in this bill, and the assistant secretaries; and under this bill the Deputy Secretary is allowed the



salary of \$20,000 a year, and the assistant secretaries are allowed salaries of \$15,000 a year. So the Senator from New Hampshire and I suggest a salary of \$18,000. I understand, after discussion with a number of Senators, that it is thought that that salary fairly reflects the status of these three important officials under the provisions of the Tydings bill.

Mr. KNOWLAND. Mr. President, I want to say to the Senator, if he will yield, that I had not caught the figure and I think it is important that they be put in their proper relationship with others doing comparable work. Since they are no longer members of the President's Cabinet, they should not be on the Cabinet level.

Mr. HOLLAND. I thank the Senator from California.

I should like to quote one additional provision from the Tydings bill. It is found in paragraph (b) of section 203 of that bill, and it gives the relative positions of the various high-ranking officials of the Department of Defense as created under the new bill. I read:

The Assistant Secretaries—

It sets up three Assistant Secretaries—

The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

This seems to make very clear provision for the sequence of relative importance and authority, coming down from the Secretary of National Defense to the Deputy Secretary of National Defense, then to the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, and finally to the three Assistant Secretaries of National Defense. It is the suggestion in the amendment offered by the distinguished Senator from New Hampshire and myself, approved, as I understand, by a good many other Senators on both sides of the aisle, that the figure of \$18,000, which is between \$20,000 as prescribed for the Deputy Secretary of Defense under the provisions of the substitute amendment offered by the Senator from Colorado [Mr. JOHNSON] for himself and other Senators, and the provision for assistant secretaries of \$15,000, would be a fair figure. If the Senate differs from that, of course, the Senator from New Hampshire and I simply wanted to invite attention to this situation, because we felt very sure it was not the intent of the committees to leave these three important positions out of consideration.

For the information of the Senate, I want to say that the figure of \$18,000 represents a 20-percent increase for those three officials, since they now draw salaries of \$15,000 under existing law. I believe that is a more modest increase, perhaps, than those which are given to some of the other high ranking officials.

I should like to say in closing the reasons why I am entirely clear and why all of us who have looked into the subject are entirely clear that it was not

intended by anyone to leave these officials out of consideration. The House committee report brackets them as coming under section 1 of the House bill. Senators will recall that at the time that bill was drawn these officials were the heads of executive departments. Likewise in the report of the Senate committee it will be found, on page 4, that the committee likewise continues to refer to those three heads of the three military departments as included within section 1 of the bill, meaning that they were merely following the path which had been laid down in the House. It is easy to understand how that could have happened. I think no one is at fault in the matter, and I should think that all of us would want to bring about this proposed change.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. I should like to ask the Senator whether the Deputy Secretary of Defense is covered?

Mr. HOLLAND. He was not covered by the committee bill, but the bill offered by the Senator from Colorado and his associates did cover him. I believe it is not in the printed copy, but if the Senator from Massachusetts will check at the desk of the reading clerk he will find written in, I presume, in the handwriting of the Senator from Colorado [Mr. JOHNSON], a provision that the Deputy Secretary of National Defense shall draw a salary of \$20,000 per year.

Is that correct?

Mr. JOHNSON of Colorado. That is correct.

Mr. HOLLAND. So that the amendment offered by the Senator from New Hampshire and myself would come immediately after that provision for the Deputy Secretary of National Defense.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. JOHNSON of Colorado. The so-called Tydings bill made one other change. I should like to call attention to page 4, lines 10 and 11, in which reference is made to the three special assistants to the Secretary of Defense. Under the Tydings bill those offices have been discontinued. If they are left in this bill it might have the effect of re-creating them. So I have an amendment prepared along the line of the Senator's suggestion as to the offices of secretaries of the Army, Navy, and Air Force, to strike from the language of the bill the three special assistants to the Secretary of Defense. Under the Tydings bill, as I say, they were discontinued and there are no such offices at this time.

Mr. LONG. Mr. President, both amendments will be accepted by the committee. This is an oversight which occurred because when the Tydings bill went into effect it was provided that the secretaries of the Army, Navy, and Air Force should receive compensation at the rate of \$14,000 a year, or such other compensation as may hereafter be provided by law for under secretaries in executive departments. If the salaries of under secretaries are now fixed at \$15,000, that would automatically be the

salary. I think the conference could definitely consider this amendment and see how we can line these persons up and arrange the schedule properly.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. We have now a Deputy Secretary of Defense and also assistant secretaries to the Secretary of Defense. What about assistant secretaries in the military departments? I do not think they are covered. Why should not secretaries of military departments be covered also?

Mr. HOLLAND. I am not able to answer the question of the distinguished Senator.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. LONG. The Assistant Secretary of Defense, the Under Secretaries of Defense, and Assistant Secretaries of the Army, Navy, and Air Force receive compensation at the rate prescribed by law for assistant secretaries of executive departments, which in this case is set at \$15,000. They would automatically be increased, as assistant secretaries in executive departments are increased, to \$15,000.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. LUCAS. Mr. President, I want to commend the Senators who have discovered this situation and have offered an amendment to cure it. It was called to my attention yesterday by the Under Secretary of Defense that these three officers were not being taken care of. I suggested that he get in touch with certain Senators. It was an oversight, and I want to commend the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Florida [Mr. HOLLAND] for taking this action.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from New Hampshire and the Senator from Florida is adopted.

Also, without objection, the amendment offered by the Senator from Colorado is adopted.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, lines 22 and 23, it is proposed to strike out the words "the general counsel of the National Labor Relations Board," and on page 5, after the semicolon on line 5, insert the words "the general counsel of the National Labor Relations Board."

Mr. DOUGLAS. Mr. President, the effect of the amendment would be to reduce the salary of the general counsel of the National Labor Relations Board from \$15,000, as in the Johnson amendment, to \$14,000. At present all the members of the National Labor Relations Board and the counsel for the Board receive \$12,000. The Johnson amendment proposes to raise all of them to \$15,000. This amendment would keep the members of the Board at \$15,000, but would reduce the counsel to \$14,000. I think



it is based on a very sound principle, that in America the judicial branch of the Government should be superior to the prosecuting branch. I do not know of any administrative board where the counsel gets as much as the members of the board, and I think it would be a very salutary thing if we established a principle in connection with the National Labor Relations Board that counsel should be one grade below the members of the Board itself.

I know that by the Taft-Hartley law the counsel was put on an equality with the members of the board, but it is very interesting that in both the THOMAS bill and the Taft-Hartley bill, which were introduced in June, the counsel of the board was assigned to a more subordinate position.

Mr. President, I hope the amendment may be agreed to.

Mr. IVES. Mr. President, I join the Senator from Illinois in the statement he has just made regarding his amendment. I think this is a very arbitrary set-up, from the standpoint of orderly organization. By the terms of the Taft-Hartley Act the counsel in his general activities is supposed to be subordinate to the board. Only in complaint cases does he act independently. The way in which the whole operation has been conducted, the counsel himself has been more or less coequal with all the members of the board, and a great many conflicts have occurred. I think this amendment would go a long way toward straightening that out. I am strongly in favor of the amendment.

Mr. LONG. Mr. President, in view of the fact that this would be reducing a salary rather than raising one, I am willing to accept the amendment and take it to conference.

Mr. TAFT. Mr. President, it seems to me that it was a mistake to reduce the salary of the counsel. There has been conflict, certainly, and so far as I was concerned, I was willing to have a change in the whole set-up, but the House has refused to pass a bill which the Senate passed, and probably it will not be passed. So long as the 1947 law remains in full effect, the counsel's position is fully as important as the positions of the different members of the board. In fact, his responsibility in initiating prosecutions is probably greater. His single responsibility is probably greater than that of any one member of the board. Of course, his one position is not so important as those of the five members of the board put together, but he has certain independent functions, and it seems to me that to change the law and reduce his salary below those of the board, on the theory that he is not as important as the board, and ought to take their orders, is a great mistake.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HOLLAND. Can the distinguished Senator apprise the Senate as to what the provision was in the original act with reference to whether or not the members of the board and the counsel had equal salaries or unequal salaries?

Mr. TAFT. I am afraid I cannot.

Mr. IVES. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. IVES. They had equal salaries. The understanding definitely was, and I am sure the able Senator from Ohio will bear me out, that the counsel actually was a part of the set-up of the National Labor Relations Board, although the Board itself was supposed to be superior.

Mr. TAFT. He was given different functions from those of the Board. He has various independent functions. He decides certain questions. He may ultimately be overruled by the Board, just as a Cabinet officer may be overruled by the Supreme Court of the United States, but his functions are independent functions, and I see no reason why we should change the provision made in the original law for equal salaries, or why we should take a special shot at the counsel for the Board.

Mr. IVES. In the first place, the Senator from New York would like to point out that he does not take the position he assumes in this case because of any personalities which may be involved. Perhaps because of personalities conditions have arisen which we are endeavoring to have corrected. Nevertheless, under the terms of the Taft-Hartley Act the general counsel is subordinate, in effect, to the Board itself. The terms of the act call him "general counsel of the Board," and in section 3 (d) it is stated:

He shall have such other duties as the Board may prescribe.

Therefore, outside of his special functions, which are granted him in the act, namely, the matter of complaint cases, he is subordinate to the Board.

Mr. TAFT. Mr. President, we attempted in the act to separate the judicial and prosecuting functions of the National Labor Relations Board. One of the great complaints against the Board was that it had initiated complaints, and then tried the complaints which it had initiated. So we separated the functions to a certain extent, and gave to the counsel for the Board the right to determine when prosecutions should be initiated and when they should not be initiated. That is a most important function, and I should think in many respects equal to the functions of the Board. The counsel is subordinate to the Board in certain other fields, also in the fact that ultimately, as the courts may overrule his decisions, the Board might overrule his decisions. But that does not mean that he does not have as important a function as those of the members of the Board.

Mr. DOUGLAS. Mr. President, I should like to point out that in Federal courts the judges receive higher salaries than the Federal attorneys who practice before the courts, and it seems to me the same principle should be carried over into this situation.

Furthermore, we are not proposing to decrease the functions of the general counsel. That would have to be done by statute. But we are trying to make clear the principle that the judicial branch of the Government is superior to the prosecuting branch. We are not be-

ing ungenerous to the general counsel. His salary is being increased from \$12,000 to \$14,000. We are merely saying that in terms of prestige we should not put the counsel on the same level with the administrative tribunal before whom he practices.

Mr. TAFT. Let me say, finally, that the act is what put them on the same level. The original act put them on the same level, and I believe that in the distribution of their functions they were put on the same level.

I do not defend Mr. Denham. In fact, I have criticized him very materially, and we proposed various changes in the set-up, which unfortunately the House and the administration apparently were opposed to putting into the law. But so long as they do not put them into the law, so long as in the original act we gave the counsel power and separated the powers, it seems to me we should not take an indirect shot at the prestige of the general counsel in the prosecution function by reducing his salary below that of the members of the Board.

Mr. HUMPHREY. Mr. President, I take pleasure in joining with the distinguished Senator from Ohio in his elucidation of the powers of the general counsel of the National Labor Relations Board. I think it is true that no one man in government has such complete and arbitrary power as an officer of the Government, exclusive of the President of the United States, as the general counsel of the National Labor Relations Board. If the purpose of the bill is to pay men for their arrogance, to pay men for their power, and to pay men for their ability to use the weapon of the law, then I would say he surely should get \$15,000 a year.

I might say to my distinguished friend from Illinois that while he feels that the Judiciary should be supreme, and while I should like to concur with him that that is good reasoning, the Taft-Hartley law does not go that far. The general counsel of the National Labor Relations Board has much more power than the National Labor Relations Board members, and I think we perhaps should give him \$15,000, in view of the tremendous power he has. However, since there has been such a hue and cry about economy, even this old spender, the junior Senator from Minnesota has been affected by it. So I join with my economizing friend, the junior Senator from Illinois, and I stand with him today for the \$14,000 pay rate, still leaving with Mr. Denham the power he possesses; because I do not think we ought to take everything from Mr. Denham; but simply take \$1,000 away from him in the name of economy.

Mr. President, I am sorry to see one part of the Republican side of the aisle—there are several parts of it; one part being now the spending part—so confused over the bill. The Fair Deal spenders are now becoming the economizers, and the anti-Fair Dealers are becoming the spenders.

I shall conclude by saying, let us leave Mr. Denham with his power. I think that will flatter him enough, and he will



be able to eke out with \$14,000 a year, since there has been a slight reduction in living costs.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS] to the committee amendment, as amended.

Mr. TAFT. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is called for.

The Senate proceeded to divide.

The PRESIDING OFFICER. On a division, the amendment is rejected.

Mr. DOUGLAS. I ask for the yeas and nays.

Mr. O'CONOR. Mr. President, a parliamentary inquiry. The Chair had not announced the decision, had he?

Mr. LANGER. The Chair had announced the result of the vote.

The PRESIDING OFFICER. The Chair had announced that the amendment was rejected. Therefore the yeas and nays cannot be called for at this time.

The committee amendment, as amended, is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I offer a perfecting amendment on page 2, line 11, to strike out "five" and insert in lieu thereof "seven." That is to take care of the two White House secretaries who were added.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be offered?

Mr. McMAHON. Mr. President, I have at the desk an amendment which would call for an increase in the salary of the Chairman of the Atomic Energy Commission from \$17,500 to \$22,500, the level of Cabinet officers. The amendment would further provide for an increase in salaries of the four other Commissioners from \$15,000 to \$20,000. I shall not call up the amendment for a vote.

Mr. President, I wish to proceed with a brief word of explanation. When the Commission was created the report of the Special Senate Committee on the proposed bill stated:

A salary of \$17,500 per annum for the Chairman and \$15,000 for the other Commissioners has been set to indicate that the duties and responsibilities of these positions are comparable to those on the highest level of the Government administration.

When I explained the bill on the floor of the Senate I stated, as follows:

S. 1717 would give the principal responsibility for the control and development of the atomic energy to a Commission of five civilians of unquestionable caliber appointed by the President, with the advice and consent of the Senate and responsible to the President and the Congress. These men would devote their entire time and attention to the responsibilities of their high position. They would serve at salaries comparable to those on the highest level of Government.

Mr. President, I believe this statement has been underlined by events and needs no emphasis from me. The responsibilities borne by this Commission are greater, in my opinion, than those borne

by any other commission under the United States Government. Upon their performance of their duties may well rest the ultimate defense of the United States of America. I do not believe that if I were to speak for an hour in this Chamber I could more greatly emphasize the importance of the duties of these Commissioners. However, Mr. President, I have in mind the fact that those in charge of the bill seem determined not to advance the salaries of any Commissioners, no matter what commissions they may be members of, to more than \$15,000. I feel, therefore, that now is perhaps not the opportune occasion to bring this matter to a vote in the Senate.

I shall, however, introduce a bill providing for an increase in these salaries. The bill will, of course, be referred to the Joint Committee on Atomic Energy, and I feel that after a consideration by the committee it will be reported to the Senate. I serve notice, Mr. President, that at that time there will be a full debate upon the question, and that I shall insist that the question be decided by the Senate.

Mr. LANGER. Mr. President, by what possible authority could the bill the Senator proposes to introduce be referred to the Joint Committee on Atomic Energy or to any other committee than the Committee on Post Office and Civil Service, which has jurisdiction and authority over the subject of Federal employees of every kind and description?

Mr. McMAHON. Mr. President, I am not going to debate that question with the Senator from North Dakota. The Presiding Officer at the time the bill is introduced will make that decision, advised, I presume, by the Parliamentarian. I suggest to my good friend the Senator from North Dakota that he consult the act, and then I shall be glad to discuss the matter with him.

The PRESIDING OFFICER. Are there further amendments to be offered?

Mr. DOUGLAS. Mr. President, I send to the desk another amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, lines 22 and 23, it is proposed to strike out "the general counsel of the National Labor Relations Board."

On page 5, at an appropriate place in section 4 (a) after the semicolon it is proposed to insert "the general counsel of the National Labor Relations Board \$14,500."

Mr. DOUGLAS. On that amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois [Mr. DOUGLAS] to the committee amendment, as amended.

The amendment was rejected.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill H. R. 1639 was read the third time.

Mr. CORDON. Mr. President, earlier this afternoon I discussed what I felt were some of the glaring imperfections in the bill as it is now before the Senate.

I am pleased to note that there has been shown a greater willingness to consider amendments than there was shown earlier in the debate. I believe the bill is a better bill at this minute because of that. However, the major defect in the bill has not yet been met. I refer to the fact that the group of officers set forth in section 4 of the substitute bill contains the group that in the committee report it was felt should be left for the salaries to be fixed by the Civil Service Commission in accordance with the responsibility involved.

I understand that as to the group included in the substitute there will be no opportunity for the Civil Service Commission to act because the Congress will have acted and set the figure, but as to others who may perform duties of equal or greater importance as compared to those mentioned in the bill, the Civil Service Commission will have authority to consider, measure, and determine the amount of compensation to be paid to the holders of those officers. But I have understood from statements made during the debate that it is expected that the maximum which may be so paid will be reduced from \$14,000 to \$12,500. My understanding is—and I shall presently hope to get word from the sponsor of the bill on the floor—that a part of the compromise which has been made includes the setting of this ceiling in the next bill, which will be to take care of the classified group. I should like to know if that is a fact.

Mr. LONG. The Senator is correct.

Mr. CORDON. In other words, we are faced with a majority of the Senate which has made its agreement in advance with reference to the ceiling to be placed in that bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CORDON. I shall be happy to yield in a moment. I want all the information I can get.

Mr. LONG. I will say to the Senator that by all means he is not speaking for the majority, so far as I know—

Mr. CORDON. Mr. President, I ask for order. I shall be glad to yield if the Senator will wait a moment. I want him to help me, because I do not want to be put in the position of making a motion which I dislike very much to make. I recognize that the motion would fail, but that is immaterial; I do not want to make it, and I do not want to be placed in a position in which I feel that I must make it.

What I am trying to get at—and I hope the Senator will help me—is whether we may hope that we shall find open minds on the floor of the Senate in discussing the ceiling which may be placed in such a bill, so as to do the greatest measure of justice we can do to those who are doing the real job of handling the business of the Federal Government but who do not happen to have the important titles which they might have had.

What can the Senator say to help me?

Mr. LONG. Mr. President, I will say to the Senator that I consider that the majority of Members of the Senate had already agreed among themselves that they would not pass the top-pay bill re-



ported from the committee. Certain Senators felt that they were in favor of a pay raise, felt that it was justified, but not to the extent the committee had recommended, and therefore felt that they would have to oppose the bill reported from the committee. Some of those Senators agreed to the substitute which was offered, more or less as a compromise on the committee bill.

My understanding was that certain Senators who had considered the matter and talked to other Senators were to go to the other Senators and see if they would be willing to accept the compromise as a final bill, if the committee would agree to it. Most members of the committee were willing to agree; but not the entire committee. I believe that a majority of those who offered the substitute were willing to agree, as was shown by the votes on the floor of the Senate, and as was shown by the vote when the substitute was offered. A large number of Senators—even including some of those who sponsored the substitute—may vote against the substitute when the bill comes up for a final vote. Few, if any, Senators have bound themselves by any agreement, although it is my understanding that all these salaries were to be pared down so that an assistant secretary, instead of receiving \$20,000, would receive \$15,000. When we lowered that salary \$5,000 it was understood that we would lower the others to the point where those at the top of the classified service would not receive \$15,000.

I intend to offer an amendment to reduce the top salaries under the classification bill to \$12,500 instead of \$15,000. The committee felt that if a man were to receive \$15,000 under the general classification bill, it would not be a good idea to raise the issue of how much that person should receive by putting him in at \$15,000 in the top-pay bill. As illustrated by some of the arguments we have heard on the floor today, a Senator would pick out one particular person and say, "Here is a man I want to include. He is more important than John Jones, who is in the bill." For that reason we felt that those who would be able to get as much under the classification bill should get it under that bill, rather than under the top-pay bill, prolonging the debate as to what each individual should receive.

Positions such as that of Director of the Bureau of Federal Supply, Commissioner of Internal Revenue, Commissioner of Public Roads, and others, were positions which the committee felt were entitled to every cent of \$15,000, but because they could be given \$15,000 under the proposed classification bill, the committee felt that they should be left out of this bill. The House felt that they should be put in at \$15,000. Therefore, since a reduction in the classification bill might mean that those persons could not receive more than \$12,500, it was felt that they should be included in this bill, if there was strong prospect of the ceiling being lowered in the classification bill.

Mr. CORDON. I should like to inquire how the Senator understands the

compromise. Certainly I do not expect Senators who have made an agreement to violate it, but I should like to know what the agreement is with reference to the forthcoming bill dealing with the classified or civil-service group. If that is a part of a fixed, ironclad agreement, and if we may not have an opportunity to ask Senators to vote their judgment because they have committed themselves in advance, I should like to know it. I hope that is not the case.

Mr. LONG. I personally feel that I have committed myself. I believe that two other Senators have committed themselves. I do not know of any other Senator who has committed himself to vote for the \$12,500 ceiling in the classification bill.

Mr. CORDON. Mr. President, in view of the leniency which has been shown here late this afternoon, I feel that we may have the opportunity, in connection with the next bill, to present the equities involved.

I wish to say to my colleagues that I am not discussing a position out in the Pacific Northwest. That is an example, and nothing more. I am seeking to have a law which will do ordinary justice, a law which will not in itself force discrimination. I want to see if we can set up some type of mechanics whereby there can be investigation and finding as to the value of services, with authority to fix a salary commensurate with those services, when compared with the salaries which the Congress itself has fixed for other positions.

In view of the statement which has been made and the situation which has developed here with reference to other amendments, I shall not make a motion to recommit. But I want the Senate to understand that I will do everything in my power to see that the bill which takes care of the classified civil-service group is liberal enough so that justice can be done without reference to official titles.

Mr. LANGER. Mr. President, I want the RECORD to show that I intend to vote against the bill, for the reason that I believe we have taken up the matter of increased pay wrong end to. We have increased the pay of members of the armed forces in the amount of \$311,000,000, and now we are increasing the pay of the big fellows who have a great deal of influence.

I hold in my hand the Classification Act. In connection with the next bill which we are to take up, there are nearly 9,000 employees who are going to receive the great increase of \$28. In another group there are about 4,000 who are going to receive an increase of \$14. Another group is to receive an increase of \$6.48. Another group, of nearly 13,000 are going to receive—

Mr. LONG. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LONG. I am sure the Senator realizes that some of those are not too good examples. There is one group consisting of 648 persons out of the entire Federal service of 2,000,000. The group of 648 out of 2,000,000 is the example which the Senator selects. I would be

willing to accept an amendment to give them an extra \$60, to make sure that the 648 are taken care of.

Mr. LANGER. That was not the platform of the Democratic Party. The Democratic Party promised to help the little fellow. The little fellow was going to be helped, according to the Democratic Party platform. But in the classified service pay bill we have, not 200 or 600, but 885,000 Federal employees. After the Eightieth Congress, which was so strongly condemned by the President, raised the salary of the average Federal employee \$330 a year and the average postal employee \$450 a year, the Eighty-first Congress proposes that their salaries be raised in the neighborhood of \$100 a year, on the average.

Not only that, but I object to having the Senate take up first the bill proposing salary increases for the top officials, and leaving to the last the matter of increasing the salaries of the employees in the lower brackets.

As a matter of fact, Mr. President, all salary increases should have been included in one bill. There is no sense or rhyme or reason in taking up in one bill, first, proposed salary increases for Government officials being paid \$10,000 a year or more, and then leaving to whatever action subsequently may be taken the salary increases for the employees in the lower brackets, with the result that perhaps their salaries will be increased only a few cents or a few hundred dollars. Such treatment certainly is not equitable and is not what was promised to the Federal workers by the Democratic administration.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. CORDON. Let me say to the Senator that I agree entirely that Congress could have done a better job if it had had a one-package bill for all salary increases, so that it could know what was contemplated in the over-all pattern in the matter of salary changes for civilian Government employees.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as amended.

The committee amendment as amended was agreed to.

The PRESIDENT pro tempore. The question now is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass? [Putting the question.]

The "ayes" appear to have it.

Mr. LUCAS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. LUCAS. I announce that the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Minnesota [Mr. HUMPHREY], the Senator



from Idaho [Mr. MILLER], the Senator from West Virginia [Mr. NEELY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Oklahoma [Mr. THOMAS] are detained on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent because of illness in his family.

The Senator from North Carolina [Mr. GRAHAM] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. McCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

On this vote, the Senator from Alabama [Mr. SPARKMAN], who would vote "yea" if present, is paired with the Senator from Oklahoma [Mr. THOMAS], who would vote "nay" if present.

I announce further that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from North Carolina [Mr. GRAHAM], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. McCARRAN], the Senator from Pennsylvania [Mr. MYERS], the Senator from West Virginia [Mr. NEELY], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business. If present and voting, the Senator from Connecticut would vote "yea."

The Senator from Vermont [Mr. AIKEN], the Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], the Senator from Massachusetts [Mr. LODGE], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate. If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Massachusetts [Mr. LODGE], and the Senator from Pennsylvania [Mr. MARTIN] would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Indiana [Mr. JENNER] and the Senator from Wisconsin [Mr. WILEY] are absent on official business. If present and voting, the Senator from Wisconsin [Mr. WILEY] would vote "yea."

The Senator from Washington [Mr. CAIN], who is absent by leave of the Senate, is paired with the Senator from Indiana [Mr. CAPEHART], who is absent on official business. If present and voting, the Senator from Washington would vote

"nay," and the Senator from Indiana would vote "yea."

The Senator from Missouri [Mr. KEM] and the Senator from Kansas [Mr. REED] are detained on official business.

The result was announced—yeas 52, nays 14, as follows:

## YEAS—52

Anderson	Ives	Murray
Bridges	Johnson, Colo.	O'Connor
Chapman	Johnson, Tex.	O'Mahoney
Connally	Johnston, S. C.	Pepper
Donnell	Kerr	Russell
Douglas	Kilgore	Saltonstall
Downey	Knowland	Schoeppel
Eastland	Leahy	Smith, Maine
Flanders	Long	Taft
Frear	Lucas	Taylor
Fulbright	McCarthy	Thomas, Utah
George	McClellan	Thye
Gillette	McFarland	Tobey
Green	McKellar	Watkins
Hayden	McMahon	Withers
Hill	Magnuson	Young
Hoey	Maybank	
Holland	Morse	

## NAYS—14

Bricker	Gurney	Millikin
Butler	Hendrickson	Mundt
Cordon	Hickenlooper	Wherry
Edson	Langer	Williams
Ferguson	Malone	

## NOT VOTING—30

Aiken	Humphrey	Neely
Baldwin	Hunt	Reed
Brewster	Jenner	Robertson
Byrd	Kefauver	Smith, N. J.
Cain	Kem	Sparkman
Capehart	Lodge	Stennis
Chavez	McCarran	Thomas, Okla.
Dulles	Martin	Tydings
Ellender	Miller	Vandenberg
Graham	Myers	Wiley

So the bill H. R. 1689 was passed.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. JOHNSTON of South Carolina, Mr. LONG, Mr. HUMPHREY, Mr. LANGER, and Mr. FLANDERS conferees on the part of the Senate.

Mr. JOHNSTON of South Carolina. I also ask that the bill be printed as amended.

The PRESIDENT pro tempore. Without objection, it is so ordered. Without objection, Senate bill 498 will be indefinitely postponed.

## PROGRAM FOR TOMORROW

Mr. LUCAS. Mr. President, before the Chair recognizes the Senator from Tennessee for the purpose of presenting a conference report upon the ECA appropriation bill, I desire to advise the Senate that tomorrow we shall proceed to the consideration of Senate bill 1772, which is a bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes. It is hoped we may finish that bill, take up the bill (H. R. 2379) to establish a standard of rates of basic compensation for certain employees of the Federal Govern-

ment; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes; and pass both of them tomorrow afternoon. I am sure we shall not have so much trouble with those two bills, because there is a tremendous amount involved in the bills and a great number of people who vote in the respective States are vitally interested in them. I do not believe we shall have nearly so much trouble with those two bills as we had with the \$700,000 executive pay bill we have been debating for 2 days; at least, I hope not. If we can finish the bills tomorrow, we shall take a recess until Monday; but whether we do or do not, we shall not have a Saturday session. Is that agreeable to the Senator from California? I see him smiling.

APPROPRIATIONS FOR FOREIGN AID—  
CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit the conference report on House bill 4830, an act making appropriations for foreign aid, for the fiscal year ending June 30, 1950, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. FULBRIGHT in the chair). The clerk will read the report.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4830) making appropriations for foreign aid, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 15.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 6, 9, 13, and 17, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$350,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert ", of which not more than \$25,000 shall be available to the Administrator for any further action he may consider advisable to carry out the provisions of section 115 (f) of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47)"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$912,500,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$42,500,000"; and the Senate agree to the same.



The committee of conference report in disagreement amendments numbered 1, 7, 8, 10, 14, and 16.

KENNETH MCKELLAR,  
CARL HAYDEN,  
ELMER THOMAS,  
RICHARD B. RUSSELL,  
STYLES BRIDGES,  
CHAN GURNEY,  
HOMER FERGUSON,  
KENNETH S. WHERRY,

*Managers on the Part of the Senate.*

J. VAUGHAN GARY,  
CHRISTOPHER C. McGRATH,  
SIDNEY R. YATES,  
CLARENCE CANNON,  
JOHN TABER (except as to  
Nos. 3 and 7),  
R. B. WIGGLESWORTH,

*Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report submitted by the Senator from Tennessee.

The report was agreed to.

Mr. MCKELLAR. I ask that the Chair lay before the Senate the action of the House of Representatives on certain amendments in disagreement.

The PRESIDING OFFICER (Mr. FULBRIGHT in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4830, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,  
September 29, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 7 and 14 to the bill (H. R. 4830) making appropriations for the foreign aid for the fiscal year ending June 30, 1950, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 1 to said bill and concur therein with the following amendment: In lieu of the matter proposed to be inserted by said amendment, insert:

"LEGISLATIVE BRANCH

"SENATE

"Contingent expenses of the Senate

"Joint Committee on Foreign Economic Cooperation: For salaries and expenses of the Joint Committee on Foreign Economic Cooperation, as authorized by Public Law 472, Eightieth Congress, as amended by Public Law 47, Eighty-first Congress, including per diem and subsistence expenses, without regard to the Travel Expense Act of 1949, approved June 9, 1949, from October 2, 1949, to June 30, 1950, \$110,000: *Provided*, That the amount herein appropriated shall include all expenses necessary to liquidate the affairs of the Joint Committee not later than June 30, 1950."

That the House recede from its disagreement to the amendment of the Senate numbered 8 to said bill and concur therein with the following amendment: In lieu of the matter proposed to be inserted by said amendment, insert:

"The Administrator shall utilize such amounts of the local currency allocated pursuant to section 115 (h) of Public Law 472, Eightieth Congress, as amended, as may be necessary, to give full and continuous publicity through the press, radio, and all other available media, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and

character, furnished by the American taxpayer."

That the House recede from its disagreement to the amendment of the Senate numbered 10 to said bill and concur therein with the following amendment: In lieu of the matter proposed to be inserted by said amendment, insert:

"CHINESE STUDENTS

"The President is authorized and directed to allocate to the Secretary of State not to exceed the sum of \$4,000,000 out of any unobligated balance of the amount made available under section 12 of the act entitled "An act to amend the Economic Cooperation Act of 1948," approved April 19, 1949 (Public Law 47, Eighty-first Congress), to be used, under such regulations as the Secretary of State may prescribe, for necessary expenses of tuition, subsistence, and return passage to China for selected citizens of China to study in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purposes of this paragraph; such amount to remain available until expended."

That the House recede from its disagreement to the amendment of the Senate numbered 16 to said bill and concur therein with the following amendment: In lieu of the matter proposed to be inserted by said amendment, insert:

"Sec. 202. During the fiscal year ending June 30, 1950, the Department of the Army is authorized to operate the Morgantown Ordnance Works at Morgantown, West Virginia, the Ohio River Ordnance Works at West Henderson, Kentucky, and the San Jacinto Ordnance Works at San Jacinto, Texas, and to use the appropriation herein made for government and relief in occupied areas for the production of anhydrous ammonia for the manufacture of nitrogenous fertilizer materials or nitrogenous compounds for its use in the occupied countries and for sale for use in the Republic of South Korea. From the proceeds of materials sold there shall be credited to the appropriation for "government and relief in occupied areas" an amount equivalent to the cost of production of such materials and any balance to miscellaneous receipts of the Treasury. Section 205 of Public Law 793, Eightieth Congress, and any other laws in conflict herewith, are repealed effective June 30, 1949."

Mr. MCKELLAR. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 1, 8, 10, and 16.

The motion was agreed to.

Mr. WHERRY. Mr. President, I should like to ask the distinguished chairman of the conferees to give a brief statement about the "watchdog committee" and also the dismantling amendment. I think it would be of interest to Senators.

Mr. MCKELLAR. The amount allowed for the "watchdog committee" was lessened considerably, and it was agreed to.

Mr. WHERRY. But it is continued, is it not, for 1 year?

Mr. MCKELLAR. It is continued for 1 year. The dismantling proposal was rewritten, making the dismantling proposition permissive, and it was then agreed to.

Mr. LUCAS. I congratulate the Senator from Tennessee for finally accomplishing a long, difficult task.

Mr. MCKELLAR. It took a long time. I may also report from the Committee on Appropriations that after 4 months of conference, the only difference in the civil-functions bill, which is important to

all Senators, is a difference of \$150,000 out of many, many million dollars.

Mr. WHERRY. Eight hundred million dollars.

Mr. MCKELLAR. I am very hopeful we can reach a final agreement tomorrow. I hope to be able to submit the conference report and have the bill passed tomorrow.

Mr. LUCAS. That is very encouraging, I may say to the Senator from Tennessee.

NATIONAL-STATE BANK CONVERSION—MERGER BILL

Mr. KILGORE. Mr. President, I should like to invite the attention of the Senate to a letter I have received from the Department of Banking in the State of West Virginia urging that the Senate take favorable action on House bill 1161, recently reported by the Senate Banking and Currency Committee and now on the Senate Calendar. I ask unanimous consent that this letter from the Commissioner of Banking, Mr. John H. Hoffman, be printed in the RECORD as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF WEST VIRGINIA,  
DEPARTMENT OF BANKING,  
Charleston, September 26, 1949.

HON. HARLEY M. KILGORE,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR KILGORE: I have been advised that the Senate Banking and Currency Committee voted favorably on H. R. 1161 (the national-State bank conversion-merger bill).

This bill is of utmost importance to the banking department of this State and all other State banking commissions, and I sincerely hope that you will be able to support this bill.

With kindest personal regards, I am,  
Very truly yours,

JOHN H. HOFFMAN,  
Commissioner of Banking.

ADDITIONAL BENEFITS FOR CERTAIN POST OFFICE EMPLOYEES

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1772 to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1772) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes, which had been reported by the Committee on Post Office and Civil Service with amendments.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. If there be no reports of committees, the clerk will call the Executive Calendar.



81ST CONGRESS  
1ST SESSION

# H. R. 1689

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29 (legislative day, SEPTEMBER 3), 1949

Ordered to be printed with the amendment of the Senate

---

## AN ACT

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the rate of basic compensation of the head of each  
4       executive department and of the Secretary of Defense shall  
5       be \$25,000 per annum.

6       SEC. 2. ~~(a)~~ The rate of basic compensation of the  
7       Administrator for Economic Cooperation, the Comptroller  
8       General of the United States, the Chairman of the Council  
9       of Economic Advisers, the Director of the Bureau of the  
10      Budget, the Chairman of the National Security Resources  
11      Board, the Federal Security Administrator, the Adminis-

1 trator of Veterans' Affairs, the Administrator of General  
 2 Services, each Under Secretary of an executive department,  
 3 the Assistant to the Attorney General, the Solicitor General  
 4 of the United States, and the First Assistant Postmaster  
 5 General shall be \$20,000 per annum.

6 (b) Section 105 of title 3 of the United States Code is  
 7 amended to read as follows:

8 "COMPENSATION OF SECRETARIES AND EXECUTIVE AD-  
 9 MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

10 "§ 105. The President is authorized to fix the com-  
 11 pensation of the six administrative assistants authorized to  
 12 be appointed under section 106 of this title, of the Executive  
 13 Secretary of the National Security Council, and of five other  
 14 secretaries or other immediate staff assistants in the White  
 15 House Office as follows: Two at rates not exceeding \$20,000  
 16 per annum, three at rates not exceeding \$18,000 per annum,  
 17 and seven at rates not exceeding \$16,000 per annum."

18 (c) The first sentence of section 106 of title 3 of the  
 19 United States Code is amended to read as follows: "The  
 20 President is authorized to appoint not to exceed six admin-  
 21 istrative assistants and to fix their compensation in accordance  
 22 with section 105 of this title."

23 SEC. 3. (a) The rate of basic compensation of the  
 24 Housing and Home Finance Administrator, the Chairman  
 25 of the Atomic Energy Commission, the Chairman of the



1 Munitions Board, the Chairman of the Research and De-  
2 velopment Board, the Deputy Administrator for Economic  
3 Cooperation, the Assistant Comptroller General of the  
4 United States, the Assistant Director of the Bureau of the  
5 Budget, and the Deputy Administrator of Veterans' Affairs  
6 shall be \$18,000 per annum.

7 (b) The first sentence of section 603 of title 28 of the  
8 United States Code (relating to the salary of the Director  
9 of the Administrative Office of the United States Courts)  
10 is amended to read as follows:

11 "The Director shall receive a salary of \$15,000 a year."

12 (c) The rate of basic compensation of the Public Printer,  
13 the Librarian of Congress, the members (other than the  
14 Chairman) of the Council of Economic Advisers, the Direc-  
15 tor of Central Intelligence, the Federal Mediation and Con-  
16 ciliation Director, the Assistant Federal Security Adminis-  
17 trator, and Director, Federal Bureau of Investigation, shall  
18 be \$17,500 per annum.

19 SEC. 4. The rate of basic compensation of the members  
20 of the Board of Governors of the Federal Reserve System;  
21 the Director of Aeronautical Research of the National Ad-  
22 visory Committee for Aeronautics; members of the Civil  
23 Aeronautics Board; the Chairman of the Board of Directors  
24 of the Export-Import Bank of Washington; members of the  
25 Federal Communications Commission; members of the Board

1 of Directors of the Federal Deposit Insurance Corporation  
2 (including the Comptroller of the Currency); members of  
3 the Federal Power Commission; members of the Federal  
4 Trade Commission; members of the Interstate Commerce  
5 Commission; members of the National Labor Relations  
6 Board; members of the National Mediation Board; members  
7 of the Railroad Retirement Board; the Chairman of the  
8 Board of Directors of the Reconstruction Finance Corpora-  
9 tion; members of the Securities and Exchange Commission;  
10 members of the Board of Directors of the Tennessee Valley  
11 Authority; members of the Civil Service Commission; the  
12 Chairman of the United States Maritime Commission;  
13 members of the United States Tariff Commission; members  
14 (other than the Chairman) of the Atomic Energy Com-  
15 mission; the General Counsel of the National Labor Rela-  
16 tions Board; the Architect of the Capitol; and the Deputy  
17 Administrator of General Services shall be at the rate of  
18 \$16,000 per annum.

19 SEC. 5. (a) The rate of basic compensation of the  
20 Housing Expediter; the Director of the Bureau of Federal  
21 Supply; the Director of Selective Service; the Archivist of  
22 the United States; the Assistant Architect of the Capitol;  
23 members of the Displaced Persons Commission; members  
24 of the Indian Claims Commission; members of the War  
25 Claims Commission; members of the Philippine War Dam-



1 age Commission; each Assistant Secretary of an executive  
 2 department (including the Fiscal Assistant Secretary of the  
 3 Treasury); each Assistant Attorney General; the Assistant  
 4 Solicitor General of the United States; the Counselor of  
 5 the Department of State; the Second, Third, and Fourth  
 6 Assistant Postmasters General; the Associate Federal Medi-  
 7 ation and Conciliation Director; the Deputy Director of  
 8 Central Intelligence; the Philippine Alien Property Ad-  
 9 ministrator; the Chief Assistant Librarian of Congress; the  
 10 Deputy Public Printer; members (other than the Chairman)  
 11 of the Board of Directors of the Export-Import Bank of  
 12 Washington; members (other than the Chairman) of the  
 13 Board of Directors of the Reconstruction Finance Corpora-  
 14 tion; members (other than the Chairman) of the United  
 15 States Maritime Commission; Administrator, Production and  
 16 Marketing Administration; Commissioner of Internal Reve-  
 17 nue; Director of the Bureau of Prisons; Commissioner of  
 18 Public Roads; Commissioner of Public Buildings; Commis-  
 19 sioner of Community Facilities; Commissioner of Immigra-  
 20 tion and Naturalization; Administrator of Civil Aeronautics;  
 21 Administrator, Rural Electrification Administration; Com-  
 22 missioner for Social Security; Commissioner of Reclamation;  
 23 Chief, Soil Conservation Service; Commissioner of Customs;  
 24 Commissioner of Narcotics; Governor of the Farm Credit  
 25 Administration; Chief Forester of the Forest Service; Ad-

1   ministrator of the Farmers Home Administration; Manager  
2   of the Federal Crop Insurance Corporation; the three  
3   Special Assistants to the Secretary of Defense; and of the  
4   Governors of Alaska, Hawaii, the Virgin Islands, and the  
5   Panama Canal shall be at the rate of \$15,000 per annum.  
6   Notwithstanding section 30 of the Act of May 24, 1924,  
7   as amended (U. S. C., title 5, sec. 152a), the salary of  
8   the Legal Adviser of the Department of State shall continue  
9   to be at the rate of \$10,330 per annum.

10       (b) The second sentence of section 603 of title 28 of  
11   the United States Code (relating to the compensation of the  
12   Assistant Director of the Administrative Office of the United  
13   States Courts) is amended to read as follows: "The Assistant  
14   Director shall receive a salary of \$10,000 a year."

15       (c) The rate of compensation of the Legislative Counsel  
16   of the House of Representatives and of the Legislative  
17   Counsel of the Senate shall be \$12,000 per annum.

18       SEC. 6. In any case in which the chairman or other head  
19   of a board or commission and the other members of such  
20   board or commission receive the same rate of basic compen-  
21   sation under this Act, and such chairman or other head has  
22   important duties or responsibilities not imposed upon other  
23   members of such board or commission, the President is  
24   authorized in his discretion to fix the compensation of such  
25   chairman or other head at the rate of \$18,000 per annum.



1        SEC. 7. The applicable appropriation for the fiscal year  
 2 ending June 30, 1950, shall be available for payment of com-  
 3 pensation at the rate established for any position by or  
 4 pursuant to this Act unless it is specifically provided that  
 5 such appropriation shall not be available for such purpose.

6        SEC. 8. This Act shall take effect on the first day of the  
 7 first pay period which begins after the date of enactment of  
 8 this Act.

9        *That the rate of basic compensation of the head of each execu-*  
 10 *tive department and of the Secretary of Defense shall be*  
 11 *\$22,500 per annum; the rate of basic compensation of the*  
 12 *Deputy Secretary of Defense shall be \$20,000 per annum;*  
 13 *and the rate of basic compensation of the Secretary of the*  
 14 *Army, the Secretary of the Navy, and the Secretary of the*  
 15 *Air Force shall be, respectively, \$18,000 per annum.*

16        SEC. 2. (a) Section 105 of title 3 of the United States  
 17 Code is amended to read as follows:

18        "COMPENSATION OF SECRETARIES AND EXECUTIVE, AD-  
 19 MINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

20        "§ 105. The President is authorized to fix the compen-  
 21 sation of the six administrative assistants authorized to be  
 22 appointed under section 106 of this title, of the Executive  
 23 Secretary of the National Security Council, and of seven  
 24 other secretaries or other immediate staff assistants in the  
 25 White House Office as follows: Two at rates not exceeding

1 \$20,000 per annum, three at rates not exceeding \$18,000 per  
2 annum, seven at rates not exceeding \$15,000 per annum, and  
3 two legislative assistants at rates not exceeding \$12,500 per  
4 annum."

5 (b) The first sentence of section 106 of title 3 of the  
6 United States Code is amended to read as follows: "The Pres-  
7 ident is authorized to appoint not to exceed six administrative  
8 assistants and to fix their compensation in accordance with  
9 section 105 of this title."

10 (c) The rate of compensation of the Chief of Staff of  
11 the Joint Committee on Internal Revenue Taxation shall be  
12 \$15,000 per annum.

13 SEC. 3. (a) The rate of basic compensation of the  
14 Comptroller General of the United States, the Director of  
15 the Bureau of the Budget, the Chairman of the National  
16 Security Resources Board, the Federal Security Admin-  
17 istrator, the Administrator of Veterans' Affairs, the Admin-  
18 istrator of General Services, the Deputy Undersecretaries  
19 of State, each under secretary of an executive depart-  
20 ment, the Assistant to the Attorney General, the Solicitor  
21 General of the United States, the First Assistant Post-  
22 master General, the Chairman of the Munitions Board,  
23 the Chairman of the Research and Development Board,  
24 the Public Printer, the Librarian of Congress, the Director  
25 of Central Intelligence, the Federal Mediation and Con-



1 ciliation Director, the Director of the Federal Bureau of  
2 Investigation, the Director of Aeronautical Research of  
3 the National Advisory Committee for Aeronautics, the  
4 members of the Civil Aeronautics Board, the Administrator  
5 of Civil Aeronautics, the members of the Federal Communi-  
6 cations Commission, the members of the Federal Power  
7 Commission, the members of the Federal Trade Commission,  
8 the members of the Interstate Commerce Commission, the  
9 members of the National Labor Relations Board, the mem-  
10 bers of the National Mediation Board, the members of  
11 the Railroad Retirement Board, the members of the Securi-  
12 ties and Exchange Commission, the members of the Board  
13 of Directors of the Tennessee Valley Authority, the mem-  
14 bers of the Civil Service Commission, the members of the  
15 United States Tariff Commission, the General Counsel of  
16 the National Labor Relations Board, the Architect of the  
17 Capitol, each assistant secretary of an executive department  
18 (including the Fiscal Assistant Secretary of the Treasury)  
19 each Assistant Attorney General, the Counselor of the De-  
20 partment of State, the Philippine Alien Property Administra-  
21 tor, members of the Board of Directors of the Export-Import  
22 Bank of Washington, members of the Board of Directors of  
23 the Reconstruction Finance Corporation, members of the  
24 United States Maritime Commission, the Governors of  
25 Alaska, Hawaii, the Virgin Islands, and the Panama Canal,

1 *the Commissioner of Internal Revenue, the Commissioner*  
2 *of Public Roads, Administrator, Rural Electrification Ad-*  
3 *ministration, shall be at the rate of \$15,000 per annum.*

4 *(b) The first sentence of section 603 of title 28 of the*  
5 *United States Code (relating to the salary of the Director*  
6 *of the Administrative Office of the United States Courts)*  
7 *is amended to read as follows:*

8 *“The Director shall receive a salary of \$15,000 a year.”*

9 *SEC. 4. (a) The rate of basic compensation of the*  
10 *Assistant Comptroller General; the Assistant Director of the*  
11 *Bureau of the Budget; the Deputy Administrator of Vet-*  
12 *erans' Affairs; the Assistant Federal Security Administrator;*  
13 *the Deputy Administrator of General Services; the Hous-*  
14 *ing Expediter; the Director of Selective Service; the Assistant*  
15 *Architect of the Capitol; members of the Displaced Persons*  
16 *Commission; members of the Indian Claims Commission;*  
17 *members of the War Claims Commission; members of the*  
18 *Philippine War Damage Commission; the Assistant Solicitor*  
19 *General of the United States; the Second, Third, and Fourth*  
20 *Assistant Postmasters General; the Associate Federal Medi-*  
21 *ation and Conciliation Director; the Deputy Director of*  
22 *Central Intelligence; the Chief Assistant Librarian of Con-*  
23 *gress; the Deputy Public Printer; the Commissioners of*  
24 *the United States Court of Claims; the Archivist of the*  
25 *United States; the Administrator, Production and Market-*



1 ing Administration; the Director of the Bureau of Prisons;  
2 the Commissioner of Public Buildings; the Commissioner  
3 of Community Facilities; the Commissioner of Immigration  
4 and Naturalization; the Commissioner for Social Security;  
5 the Commissioner of Reclamation; the Chief, Soil Conserva-  
6 tion Service; the Commissioner of Customs; the Commis-  
7 sioner of Narcotics; the Governor of the Farm Credit  
8 Administration; the Chief Forester of the Forest Service;  
9 the Administrator of the Farmers Home Administration;  
10 the Manager of the Federal Crop Insurance Corporation;  
11 the Associate Director of the Federal Bureau of Investiga-  
12 tion; and the Director of the Bureau of Federal Supply,  
13 shall be at the rate of \$14,000 per annum.

14 (b) The second sentence of section 603 of title 28 of  
15 the United States Code (relating to the compensation of  
16 the Assistant Director of the Administrative Office of the  
17 United States Courts) is amended to read as follows: "The  
18 Assistant Director shall receive a salary of \$14,000 a year."

19 (c) The rate of compensation of the Legislative Counsel  
20 of the House of Representatives and of the Legislative Coun-  
21 sel of the Senate shall be \$12,000 per annum.

22 SEC. 5. Except as provided in the first section and in  
23 section 2, nothing contained in this Act shall be construed  
24 to increase by more than 50 per centum the rate of basic

1 compensation of any office or position, or to increase any  
2 such rate to an amount in excess of \$15,000 per annum.

3       *SEC. 6. The applicable appropriations for the fiscal year*  
4 *ending June 30, 1950, shall be available for payment of the*  
5 *compensation at the rate established for any position by or*  
6 *pursuant to this Act unless it is specifically provided that such*  
7 *appropriation shall not be available for such purpose.*

8       *SEC. 7. This Act shall take effect on the first day of*  
9 *the first pay period which begins after the date of enactment*  
10 *of this Act.*

11       *SEC. 8. The head of each department or independent*  
12 *agency in the executive branch of the Government, having*  
13 *personnel subject to the provisions of this Act, is authorized*  
14 *and directed to absorb the increased costs during the fiscal*  
15 *year 1950 resulting from the enactment of this Act within*  
16 *any unobligated or unexpended balances in appropriations*  
17 *available to such department or independent agency.*

18       *SEC. 9. That, in addition to the budget required to be*  
19 *transmitted to Congress by the President under section 201*  
20 *of the Budget and Accounting Act, 1921, as amended,*  
21 *the President shall transmit to Congress on the first day*  
22 *of the second regular session of the Eighty-first Congress*  
23 *a balanced budget for the fiscal year ending June 30, 1951,*  
24 *which shall set forth in summary and in detail (1) estimates*  
25 *of the receipts of the Government during such fiscal year*



1 under laws existing at the time such budget is transmitted,  
2 and (2) estimates of expenditures, not in excess of such  
3 receipts, for the support of the Government for such fiscal  
4 year under laws so existing.

Passed the House of Representatives July 8, 1949.

Attest: RALPH R. ROBERTS,  
Clerk.

Passed the Senate with an amendment September 29 (legislative day, September 3), 1949.

Attest: LESLIE L. BIFFLE,  
*Secretary.*

---

## AN ACT

To increase rates of compensation of the heads  
and assistant heads of executive departments  
and independent agencies.

---

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29 (Legislative day, SEPTEMBER 2), 1949

Ordered to be printed with the amendment of the Senate









sidered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by the direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### SICK AND EMERGENCY LEAVE FOR CERTAIN DISTRICT OF COLUMBIA EMPLOYEES

Mr. ABERNETHY submitted the following conference report and statement on the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes:

##### CONFERENCE REPORT (H. REPT. NO. 1360)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3 and 4.

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2, and agree to the same.

T. G. ABERNETHY,  
HOWARD W. SMITH,  
A. L. MILLER,

*Managers on the Part of the House.*

MARGARET CHASE SMITH,  
ROBERT C. HENDRICKSON,  
J. ALLEN FREAR, Jr.,

*Managers on the Part of the Senate.*

##### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1 and 2: These amendments limit the type of emergencies for which cumulative leave with pay will be granted to personal emergencies. The House recedes.

Amendments Nos. 3 and 4: The House bill limited the total amount of sick and emergency leave with pay which probationary and permanent teachers and attendance officers can accumulate to 60 days. Amendments Nos. 3 and 4 raise this limit to 90 days. The Senate recedes.

T. G. ABERNETHY,  
HOWARD W. SMITH,  
A. L. MILLER,

*Managers on the Part of the House.*

#### SPECIAL ORDER VACATED

Mr. ARENDS. Mr. Speaker, I ask unanimous consent on behalf of the gentleman from Ohio [Mr. VORYS] that the special order he had for today may be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances, in each to include excerpts.

Mr. KEARNEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution.

Mr. GRAHAM asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution.

Mr. MILLER of Nebraska asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. RICH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. BURDICK asked and was given permission to extend his own remarks in the RECORD.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### THE HORSE AND THE UNBALANCED DIET

Mr. RICH. Mr. Speaker, I received a letter; it starts out like this:

Remember the junk man who started feeding his old horse sawdust. One part sawdust, eight parts oats. Each week one part more sawdust and one part less of oats. The seventh week Mr. Horse dropped dead. Yes, had the horse lived another week he would have been on a 100 percent sawdust diet.

Perfect planning—but?

The Government of the United States is the biggest business in the world and cannot be run any different than can the smallest business in the United States.

No business, large or small, can stay in business spending more than its income.

Let me call your attention to the fact that we have gone in the red this year about two and one-half billion dollars. By the end of the year at the rate we are going I predict that we will be in the red \$10,000,000,000. Remember the story of the old horse. And for goodness sake try, try—yes do cut down on this spending new deal raw deal spree or our Nation will die.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. MURRAY of Wisconsin addressed the House. His remarks appear in the Appendix of the RECORD.]

#### PERMISSION TO ADDRESS THE HOUSE

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### INVESTIGATION OF B-36'S

Mr. FORD. Mr. Speaker, a newspaper article in the Washington Post last Thursday, entitled "Navy Cramps Admirals in B-36 Inquiry" and another article in the same newspaper on Saturday, entitled "Navy Tells Crommelin What Not To Say on Telecast Tonight" convinces me that gag-rule pressure and bully tactics by top Department of Defense officials might well curtail any effective presentation by the Navy before the House Committee on Armed Services in the B-36 probe. The facts seem to be this:

The Secretary of the Navy and possibly others in authority are telling the House Committee on Armed Services what Members of Congress can hear about certain conditions in the various military departments. It seems to me Secretary Matthews is overstepping his prerogatives to a considerable degree for certainly the military security of the United States is the responsibility of Congress as well as that of the executive branch of the Government. The American people and particularly members of the House committee have a solemn responsibility to hear all points of view on: First, the question of whether or not two of the three armed services can properly determine the weapons of a third, and second, the question of whether our present concept of strategic bombing is correct. I think the House probe should continue as scheduled without being stymied by any gag rulings or bullyism by the executive branch of the Government. I trust the committee will not change its plans for a full-fledged, uninhibited hearing.

#### EXTENSION OF REMARKS

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD in four instances and include newspaper articles and a letter.

#### COMPOSITION OF THE ARMY OF THE UNITED STATES AND THE AIR FORCE OF THE UNITED STATES

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1437) to authorize the composition of the Army of the United States and the Air Force of the United States, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and



agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS, KILDAY, SHORT, and ARENDS.

#### COMPENSATION OF HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS AND INDEPENDENT AGENCIES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, MORRISON, MILLER of California, REES, and Mrs. ST. GEORGE.

#### COMPENSATION OF CERTAIN EMPLOYEES OF THE FEDERAL GOVERNMENT

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5931) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. MURRAY of Tennessee, MORRISON, MILLER of California, REES, and SADLAK.

#### ADDITIONAL BENEFITS FOR CERTAIN POSTMASTERS, OFFICERS, AND EMPLOYEES IN THE POSTAL SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, DAVIS of Georgia, WILLIAMS, REES, and HAGEN.

#### REHABILITATION OF THE NAVAJO AND HOPI TRIBES OF INDIANS

Mr. MORRIS. Mr. Speaker, I call up the conference report on the bill (H. R.

1407) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 22, 1949.)

Mr. MORRIS (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HOFFMAN of Michigan. I object, Mr. Speaker.

(The Clerk completed the reading of the statement.)

Mr. MORRIS. Mr. Speaker, I hope the conference report will be adopted.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. CASE of South Dakota. The reason for asking this question is that section 9 of this bill proposes that following July 1, 1950, the United States shall pay 80 percent of the payments made heretofore by the State for old-age assistance, aid to dependent children, and aid to the needy blind, for the Navajo and Hopi Indians residing within the States concerned.

There are some tribes of Indians in the United States other than the Navajo and Hopi Tribes where treaty obligations placed upon the United States the responsibility for taking care of the needy Indians. But to date these other States have sought to meet the obligation imposed upon them by the Federal Social Security Acts to match funds under penalty of losing social security funds if they did not.

Two questions ought to be answered. First, should we make an exception for the Navajos and the Hopis, and, second, is this establishing a precedent so that the States where there are other tribes of Indians may expect that they can come in with similar legislation and get 80 percent of the State's social security payments accepted by the Federal Government?

Mr. MORRIS. The percentage to be paid by the States under this section, other than the cost of administration, is the same as was worked out in the conference at Santa Fe, N. Mex., between representatives of the Federal Security Agency, Bureau of Indian Affairs, the offices of the attorneys general of the States of Arizona and New Mexico, and the State departments of welfare of Arizona and New Mexico, on April 28 and 29, 1949.

In further answer to the gentleman's question, may I say that the Navajo is the largest tribe of Indians in the United States. We know that the States affected

have very small populations compared to other States, and the impact of the social-security program without this amendment would be unreasonable for those States to bear, in my judgment. The whole program is a national program, it seems to me, as affecting the Indians. In view of the fact especially that these States are so sparsely settled and there are so many Indians within them, it certainly would be unreasonable, in my judgment, to ask these States of Arizona, New Mexico, and Utah to bear the same social-security burden as might be borne in other instances.

In addition to that, may I make this further statement:

The social-security proviso of section 9 is intended to apply only to the Navajo and Hopi Reservations, and was not intended to relieve the States of their responsibilities, if any, for social security payments on reservations other than Navajo-Hopi in the three States affected by this bill. It is not intended as permanent legislation, but merely as a stop-gap until Congress can act on permanent legislation.

Mr. CASE of South Dakota. I recognize that the proportion of Navajo and Hopi Indian population to the total population of these States is large, but at the same time the percentage of Indian population is large in some other States as well. I do not know the population figure for those States, but in my own district the ratio of Indian population to white is about 1 to 8, which is certainly a most heavy burden on the State. I am sure the gentlemen who represent these States of Arizona and New Mexico are aware of the fact that they have been given additional representation in Congress because of the fight which the gentleman from Arizona [Mr. MURDOCK] and I and some others put up a few years ago to have Indians counted for purposes of congressional representation. I am not opposed to recognizing this unusual burden on these two States, but I do feel recognition should be given to the unusual burden in some other States, too; and, in particular, I might mention that when the Sioux Indians went before the Court of Claims to ask for compensation for the Black Hills which were taken from them, the argument which the Government put up and which the Supreme Court cited in refusing to review the case, was that the treaty of cession provided that the Government should take care of the needy Sioux Indians. The Supreme Court cited with approval the language of the Court of Claims which said that Congress had been appropriating to take care of the needy Indians and would continue to do so. That rested upon the assumption Congress would provide for rations for the needy Indians as it had been prior to that time. But instead of that Congress had adopted the social-security program which put upon the State the responsibility for originally matching Federal funds on a 50-50 basis, and said if you do not include the Indians, you will not get social security for the balance of the State's needy.

So the States of North Dakota, South Dakota, Montana, as well as other States, accepted the burden imposed upon them









Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. KEFAUVER:

S. 2643. A bill amending the Independent Office Appropriation Act, 1950, as respects readjustment benefits for veterans; to the Committee on Labor and Public Welfare.

By Mr. BUTLER:

S. 2644. A bill to provide for the transfer of certain mares of the Remount Service to the University of Nebraska; to the Committee on Agriculture and Forestry.

(Mr. MAYBANK introduced Senate Joint Resolution 134, to amend the National Housing Act, as amended, and for other purposes, which was considered, read the third time, and passed, and appears under a separate heading.)

#### INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON of South Carolina submitted the following resolution (S. Res. 179), which was referred to the Committee on Rules and Administration:

*Resolved*, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on Post Office and Civil Service, or any duly authorized subcommittee thereof, is authorized during the Eighty-first Congress to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed \$3,000 (in addition to amounts heretofore made available for such purposes), shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 2087. An act for the relief of Joseph T. Sypko; and

H. R. 2854. An act for the relief of Wade H. Noland; to the Committee on the Judiciary.

H. R. 3605. An act to provide for the documentation of the Canadian-built vessel *North Wind* owned by a citizen of the United States; to the Committee on Interstate and Foreign Commerce.

H. R. 2919. An act authorizing the issuance of a patent in fee to Paul High Horse and Anna High Horse; and

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.; to the Committee on Interior and Insular Affairs.

#### INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS—RESIGNATION AND APPOINTMENT OF CONFEE

Mr. FLANDERS. Mr. President, I tender my resignation as a member of the committee of conference on the bill H. R. 1689, to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

The VICE PRESIDENT. The resignation will be noted.

Mr. FLANDERS. I may say the chairman of the committee was prepared to submit a new candidate for that high office, but he evidently has left the Chamber.

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, since the junior Senator from Vermont [Mr. FLANDERS] has resigned from the conference committee on the executive pay bill, I ask that the Senator from Minnesota [Mr. THYE] be appointed in his stead.

The VICE PRESIDENT. Without objection, the Chair appoints the Senator from Minnesota [Mr. THYE] a conferee in place of the Senator from Vermont [Mr. FLANDERS].

#### GIVE-AWAY SHOW WEAKENS AMERICA

##### ADDRESS BY SENATOR WHERRY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address entitled "Give-Away Show Weakens America," delivered by him before the Frozen Food Locker Institute, at Chicago, Ill., on October 4, 1949, which appears in the Appendix.]

##### THE FARM PROGRAM—ADDRESS BY SENATOR AIKEN

[Mr. THYE asked and obtained leave to have printed in the RECORD an address on the farm program, delivered by Senator AIKEN at Blue Earth, Minn., on September 24, 1949, which appears in the Appendix.]

#### THIRD ANNUAL HARVEST OF HARMONY

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD a statement entitled "Third Annual Harvest of Harmony," prepared by him, relating to the program of the Society for the Preservation and Encouragement of Barber-Shop Singing in America, Inc., which appears in the Appendix.]

#### THE POLL TAX—PROPOSED AMENDMENT TO VIRGINIA CONSTITUTION

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an article entitled "Proposed Vote Reforms Defended," published in the Roanoke (Va.) Times of October 2, 1949, which will appear hereafter in the Appendix.]

#### TRADE RELATIONS WITH RUSSIA AND OTHER COUNTRIES BEHIND THE IRON CURTAIN

[Mr. IVES asked and obtained leave to have printed in the RECORD an article entitled "Iron-Curtain Threat," written by A. N. Spanel, chairman of the International Latex Corp., and an article entitled "Soviet Trade Piracy in the United States," written by J. Anthony Marcus, and published in Plain Talk, which appears in the Appendix.]

#### THE ROLE OF THE FREE PRESS

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "National Newspaper Week Is People's Freedom Week," published in the Janesville (Wis.) Daily Gazette of October 3, 1949, which appears in the Appendix.]

#### THE STORY OF STEEL—EDITORIAL FROM THE NEW YORK POST

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "The Story of Steel," from the New York Post Home News of October 5, 1949, which appears in the Appendix.]

#### CORRECTION OF THE RECORD

Mr. WILLIAMS. Mr. President, I should like to have the RECORD of October 4, 1949, corrected on page 14087. There is no break or indication of where the speech of the Senator from Florida [Mr. HOLLAND] ends, and my speech be-

gins. This should be shown on page 14087 beginning with the last paragraph of the left column where I began as follows:

Mr. President, earlier in the afternoon I discussed with the Senator from New Mexico—

And so forth.

I ask that this correction be made in the permanent RECORD.

The VICE PRESIDENT. The correction will be made.

#### LEAVE OF ABSENCE

Mr. FLANDERS asked and obtained consent to be absent on official business for the remainder of the month.

#### TRANSFER OF VILLAGE CARRIERS IN SECOND-CLASS POST OFFICES TO CITY DELIVERY SERVICE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1479) to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes, which was, on page 2, to strike out lines 6 to 16, inclusive, and insert:

SEC. 3 (a) In assigning carriers in the village delivery service to salary grades in the city delivery service, each village carrier shall be assigned to the lowest grade provided for regular positions in the city delivery service. Each such carrier shall retain credit in his position in the city delivery service for all annual and sick leave which he has accrued and for compensatory time off due for service performed.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, and Mr. ECTON conferees on the part of the Senate.

#### ERNEST J. JENKINS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 377) for the relief of Ernest J. Jenkins, which was, on page 1, line 6, to strike out "\$21,600" and insert "\$10,000."

Mr. RUSSELL. I move that the Senate agree to the amendment of the House. The motion was agreed to.

#### CARE AND TREATMENT OF THE MEN- TALLY SICK IN STATE INSTITUTIONS

Mr. MORSE. Mr. President, I ask unanimous consent, out of order, to introduce a bill to provide some Federal assistance to the States in regard to the building and operation of State hospitals. I wish to say a word or two about the bill.

I am introducing the bill as a courtesy to Samuel and Helene Friedman, of Oregon, who are officials of the American Equity Association, an association interested in improvement of the care of the mentally ill. I am introducing it be-



cause I think the bill is sufficiently meritorious to entitle it to committee consideration. But I wish to make very clear as I introduce the bill that some of its provisions may be too broad. I am open-minded as to its provisions. I reserve the right to offer amendments to the bill, based upon the facts and evidence brought out in the hearings, and also reserve the right to vote against the bill if the hearings convince me that the bill is not deserving of passage. But I think both the objective of the American Equity Association and their bill are sufficiently meritorious so that the Senate should give the bill early hearings.

There being no objection, the bill (S. 2642) to assist the several States in making more adequate provision for the care and treatment of the mentally sick in State institutions, introduced by Mr. MORSE (by request), was read twice by its title, and referred to the Committee on Labor and Public Welfare.

#### STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

Mr. YOUNG. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be given two additional days to consider the long-range price-support legislation. I should like to state a few of the reasons for my request.

It is inconceivable to me that the Committee on Agriculture and Forestry could properly consider the amendments proposed and all the implications and charges made on the floor yesterday in the very short time which has been allotted. For example, I read in the RECORD that the Senator from Vermont [Mr. AIKEN] believes that if the bill should pass in the form in which it was recommitted to the Committee on Agriculture and Forestry we would have to make available \$5,000,000,000 more to the Commodity Credit Corporation to carry out the program. I believe that statement is erroneous, and is not based upon facts. I believe that the committee should hold hearings to determine how accurate that statement is.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. WHERRY. To what page of the RECORD is the Senator referring?

Mr. YOUNG. Page 14082.

Most of the opposition to the Russell-Young amendment was with regard to wheat. I should like to point out that in the spring-wheat area at present, and for most of the fall, wheat has been selling above support levels. While I was at home only a month ago one of my sons sold wheat for \$2.04 a bushel. The support level was \$1.97 a bushel. Since then the price of wheat has increased 4 or 5 cents a bushel. I do not believe that the Commodity Credit Corporation should encounter any loss whatever in the price-support program for wheat.

The charge was made that it would cost the consumers a great deal more for their food requirements. I should like to point out that in this bill there are mandatory supports of 75 to 90 percent

for butterfat and milk, under a parity formula which raises the support level.

In the case of the basic commodities, the bill reduces the support levels. For perishable commodities it raises support. For example, under the present support program parity for butter is 57.8 cents a pound. Under the new formula it would be 65.7 cents a pound. Ninety percent under the old program, which is mandatory, would be 50 cents, and 90 percent under the new program would be 59 cents, or an increase of 9 cents a pound for butterfat to the consumers under the Anderson bill, as against present support levels.

In the case of whole milk, milk under the support program now in operation, 100 percent of parity is \$3.51 per hundredweight. One hundred percent of parity under the new formula is \$4.09 per hundredweight. Ninety percent of parity, or support price, under the new formula is \$3.15 per hundredweight. Under the new bill, which is supposed to save money, 90 percent of parity is \$3.68.

Another statement which my friend and colleague the distinguished senior Senator from Vermont [Mr. AIKEN] made is that the bill with the 90-percent mandatory support amendment would cost more to operate than the Brannan plan would. I think that statement is completely in error, for the Brannan plan seeks not only to support at rigid levels, at 100 percent of parity, the basic commodities, but it would add others. I should like to read the list of products which would be included: Corn, cotton, wheat, tobacco, whole milk, eggs, chickens, hogs, cattle, and lamb.

If the statement made by the distinguished senior Senator from Vermont is correct, namely, that the Brannan plan would be cheaper than the Anderson bill with the Young-Russell amendment, in short, that we could support prices at 100 percent of parity cheaper than we could support them at 90 percent of parity and add other commodities, then I believe the committee should consider the Brannan plan and should report it favorably, if that statement is true.

I noticed that many of my Republican colleagues voted against 90-percent supports. I believe they should take time to read the hearings at the recent Republican farm conference at Sioux City. I believe I was the only one who was there all the time. Of the more than 100 witnesses who testified, there were only about 5 who opposed price supports of any kind. I should like to have anyone point out a single farmer who testified at those hearings and who wanted support of any kind asked for lower support levels. I think my Republican colleagues, if they want farm votes next year, should read that record.

I note, too, that the Anderson bill does an excellent job for the dairy farmers, and I am entirely in favor of that; but many of the Senators from the dairy States voted to recommit the bill. I think they should have an opportunity to appear before the committee and say whether they are in favor of the supports or are opposed to them, and to state why they voted to recommit the

bill. I think we should know something about the sentiment of these dairy-State Senators who voted to recommit.

The VICE PRESIDENT. The Senator from North Dakota has requested unanimous consent that the Committee on Agriculture be given 2 days, or 48 hours additional, before reporting the farm bill, in addition to the time provided by the motion to recommit the bill, which was adopted by the Senate last night.

Is there objection to the request?

Mr. AIKEN. Yes. Is it debatable?

The VICE PRESIDENT. It is not debatable.

Mr. AIKEN. Then I object.

The VICE PRESIDENT. The Chair might state that, by custom, under the reservation of the right to object following such unanimous-consent requests, discussion often is engaged in. But it is not in order; and any Senator may call for the regular order at any time, and then the Chair must put the question as to whether there is objection.

Mr. WHERRY. So, Mr. President, as I understand the application of the rule, as now expounded by the President of the Senate, it is that if a unanimous-consent request is made and if some Senator reserves the right to object, he can then discuss the request as long as no other Senator asks for the regular order.

The VICE PRESIDENT. The Chair did not quite state that.

Mr. WHERRY. How would it work out?

The VICE PRESIDENT. By custom, that practice has been indulged in; but, as a matter of fact, a unanimous-consent request is not debatable, under the rule.

Mr. WHERRY. I agree with the distinguished President of the Senate as to that. Yet for 7 years it has been customary in the Senate, in case a Senator has wished to have a further explanation made of such a request, so that he could understand it, for the Senator seeking such information to rise and state, "Reserving the right to object, may I ask the distinguished Senator to give an explanation," or a definite question would be asked the Senator proposing the request.

The VICE PRESIDENT. The Senator is correct. It has been a custom which has been indulged in.

Mr. WHERRY. Yes. I think it is a very workable one. I am not taking sides about what was done yesterday; I was not here to participate in that proceeding. But I think the custom is a good one, because very often, following a unanimous-consent request, if opportunity to understand the request is afforded, the request is agreed to. If there is a misunderstanding or lack of understanding, the only other course is for objection to be made. That is according to the rule, and I agree with the Chair's announcement of the rule.

It seems to me it is not only a courtesy to permit an explanation to be requested and made, but I think it is a good custom to permit a Senator to reserve the right to object, following the propounding of a unanimous-consent request; and then, if unnecessary debate transpires, all that









INCREASING RATES OF COMPENSATION OF THE HEADS  
AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS  
AND INDEPENDENT AGENCIES

---

OCTOBER 11, 1949.—Ordered to be printed

---

Mr. MURRAY of Tennessee, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany H. R. 1689]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$22,500 per annum; the rate of basic compensation of the Deputy Secretary of Defense shall be \$20,000 per annum; and the rate of basic compensation of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall be, respectively, \$18,000 per annum.*

SEC. 2. (a) Section 105 of title 3 of the United States Code is amended to read as follows:

“COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE,  
AND STAFF ASSISTANTS TO PRESIDENT

“§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$15,000 per annum.”

(b) *The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: "The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."*

*SEC. 3. The rate of basic compensation of each Under Secretary of an executive department, the Deputy Postmaster General, the Assistant to the Attorney General, the Solicitor General of the United States, the Comptroller General of the United States, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, and the Housing and Home Finance Administrator shall be \$17,500 per annum.*

*SEC. 4. The rate of basic compensation of the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Deputy Administrator of Veterans' Affairs, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Director of the Federal Bureau of Investigation, the Chairman of the Civil Service Commission, the Chairman of the Board of Directors of the Export-Import Bank of Washington, the Chairman of the Board of Directors of the Reconstruction Finance Corporation, the Chairman of the United States Maritime Commission, members of the Council of Economic Advisers, members of the Board of Governors of the Federal Reserve System, and members of the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency) shall be \$16,000 per annum.*

*SEC. 5. (a) The rate of basic compensation of the Assistant Federal Security Administrator, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, members of the Civil Aeronautics Board, members of the Federal Communications Commission, members of the Federal Power Commission, members of the Federal Trade Commission, members of the Interstate Commerce Commission, members of the National Labor Relations Board, members of the National Mediation Board, members of the Railroad Retirement Board, members of the Securities and Exchange Commission, members of the Board of Directors of the Tennessee Valley Authority, members (other than the Chairman) of the Civil Service Commission, members of the United States Tariff Commission, the General Counsel of the National Labor Relations Board, the Deputy Administrator of General Services, the Archivist of the United States, each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury and the Deputy Under Secretaries of State), each Assistant Attorney General, each Assistant Postmaster General, the Assistant Solicitor General of the United States, the Counselor of the Department of State, the Philippine Alien Property Administrator, members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington, members (other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation, members (other than the Chairman) of the United States Maritime Commission, the Administrator of the Production and Marketing Administration, the Commissioner of Internal Revenue, the Commissioner of Public Roads, the Commissioner of Immigration and Naturalization, the Administrator of Civil Aeronautics, the Administrator of the Rural Electrification Administration, the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal, the Chief of Staff of*



the Joint Committee on Internal Revenue Taxation, the Public Printer, the Librarian of Congress, and the Architect of the Capitol shall be \$15,000 per annum.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$15,000 a year."

SEC. 6. (a) The rate of basic compensation of the Housing Expediter, the Director of the Bureau of Federal Supply, the Director of Selective Service, members of the Displaced Persons Commission, members of the Indian Claims Commission, members of the War Claims Commission, members of the Philippine War Damage Commission, the Associate Federal Mediation and Conciliation Director, the Deputy Director of Central Intelligence, the Director of the Bureau of Prisons, the Commissioner of Public Buildings, the Commissioner of Community Facilities, the Commissioner for Social Security, the Commissioner of Reclamation, the Chief of the Soil Conservation Service, the Commissioner of Customs, the Commissioner of Narcotics, the Governor of the Farm Credit Administration, the Chief Forester of the Forest Service, the Administrator of the Farmers Home Administration, the Manager of the Federal Crop Insurance Corporation, the Associate Director of the Federal Bureau of Investigation, the Commissioners of the United States Court of Claims, the Assistant Architect of the Capitol, the Chief Assistant Librarian of Congress, and the Deputy Public Printer shall be \$14,000 per annum.

(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$12,500 a year."

(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

(d) The second sentence of section 30 of the Act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), relating to the appointment and compensation of the Legal Adviser of the Department of State, is amended to read as follows: "The legal adviser shall be appointed by the President, by and with the advice and consent of the Senate."

SEC. 7. The applicable appropriation for the fiscal year ending June 30, 1950, shall be available for payment of compensation at the rate established for any position by or pursuant to this Act unless it is specifically provided that such appropriation shall not be available for such purpose.

SEC. 8. The head of each department or independent agency in the executive branch of the Government, having personnel subject to the provisions of this Act, is authorized and directed to absorb the increased costs during the fiscal year 1950 resulting from the enactment of this Act within any unobligated or unexpended balances in appropriations available to such department or independent agency. This section shall not apply to any agency with respect to which the Director of the Bureau of the Budget shall certify that absorption of such increased costs would impair the proper performance of its functions.

*SEC. 9. This Act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act.*

And the Senate agree to the same.

TOM MURRAY,  
JAMES H. MORRISON,  
GEORGE P. MILLER,  
EDWARD H. REES,  
KATHARINE ST. GEORGE,  
*Managers on the Part of the House.*

OLIN D. JOHNSTON,  
RUSSELL B. LONG,  
HUBERT H. HUMPHREY,  
EDWARD J. THYE,  
*Managers on the Part of the Senate.*



## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The differences between the House bill and the substitute agreed to in conference are noted in the following statement:

The table shows the positions included, the present rate of compensation for each position, and the rate of compensation prescribed for each position in the House bill, the Senate amendment, and the conference substitute. An examination of columns (6) and (8) of the table will disclose the difference in the rate of compensation with respect to any position between the House bill and the conference substitute.

H. R. 1689

Position	Num- ber (2)	Present salary (3)	Section as passed House (4)	Section as passed Senate (5)	Compensa- tion as passed House (6)	Compensa- tion as passed Senate (7)	Compensa- tion agreed, to in con- ference (8)
(1)							
Secretary, Department of State.....	1	\$15,000.00	1	1	\$25,000	\$22,500	\$22,500
Secretary, Department of Defense.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of the Treasury.....	1	15,000.00	1	1	25,000	22,500	22,500
Attorney General, Department of Justice.....	1	15,000.00	1	1	25,000	22,500	22,500
Postmaster General, Post Office Department.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of the Interior.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Agriculture.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Commerce.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Labor.....	1	15,000.00	1	1	25,000	22,500	22,500
Deputy Secretary of Defense.....	1	14,500.00	2 (a)	1	1 20,500	20,000	20,000
Secretary, Department of the Army.....	1	14,000.00	2 (a)	1	2 20,000	18,000	18,000
Secretary, Department of the Navy.....	1	14,000.00	2 (a)	1	2 20,000	18,000	18,000
Secretary, Department of Air Force.....	1	14,000.00	2 (a)	1	2 20,000	18,000	18,000
Under Secretary, Department of State.....	1	12,000.00	3 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Treasury.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Assistant to the Attorney General, Department of Justice.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Solicitor General of United States.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Deputy Postmaster General, Post Office Department.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Interior.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Agriculture.....	1	10,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Commerce.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Labor.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Comptroller General of United States.....	1	10,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Director, Bureau of the Budget.....	1	14,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Chairman, National Security Resources Board.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Federal Security Administrator.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator of Veterans' Affairs.....	1	20,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator for Economic Cooperation.....	1	20,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator of General Services.....	1	17,500.00	2 (a)	3 (a)	20,000	15,000	17,500
Assistant to the President.....	1	17,500.00	2 (b)	3 (a)	20,000	15,000	17,500
Special counsel to the President.....	1	17,500.00	2 (b)	3 (a)	20,000	15,000	17,500
Secretaries to the President.....	3	17,500.00	2 (b)	3 (a)	20,000	15,000	17,500
Administrative assistants to the President.....	6	10,000.00	2 (b)	3 (a)	20,000	15,000	17,500
Executive Secretary, National Security Council.....	1	10,330.00	2 (b)	3 (a)	20,000	15,000	17,500
Chief of staff, Joint Committee on Internal Revenue Taxation.....	1	16,500.00	2 (b)	3 (a)	20,000	15,000	17,500
Housing and Home Finance Administrator.....	1	17,500.00	3 (a)	3 (a)	18,000	15,000	16,000
Chairman, Atomic Energy Commission.....	1	17,500.00	3 (a)	3 (a)	18,000	15,000	16,000
Chairman, Munitions Board.....	1	14,000.00	3 (a)	3 (a)	18,000	15,000	16,000
Chairman, Research and Development Board.....	1	14,000.00	3 (a)	3 (a)	18,000	15,000	16,000
Deputy Administrator for Economic Cooperation.....	1	17,500.00	3 (a)	3 (a)	18,000	15,000	16,000
Assistant Comptroller General of United States.....	1	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000



Assistant Director, Bureau of the Budget.....	1	10,330.00	3 <sup>1</sup> (a)	4 <sup>1</sup> (a)	18,000	14,000	16,000
Deputy Administrator for Veterans' Affairs.....	1	10,330.00	3 <sup>1</sup> (a)	4 <sup>1</sup> (a)	18,000	14,000	16,000
Director, Administrative Office of United States Courts.....	1	10,330.00	3 <sup>1</sup> (b)	3 <sup>1</sup> (b)	15,000	15,000	15,000
Public Printer.....	1	10,330.00	3 <sup>1</sup> (c)	3 <sup>1</sup> (a)	17,500	15,000	15,000
Librarian of Congress.....	1	10,330.00	3 <sup>1</sup> (c)	3 <sup>1</sup> (a)	17,500	15,000	15,000
Members of Council of Economic Advisers.....	3	15,000.00	3 <sup>1</sup> (c)	3 <sup>1</sup> (a)	17,500	15,000	16,000
Director, Central Intelligence.....	1	14,000.00	3 <sup>1</sup> (c)	3 <sup>1</sup> (a)	17,500	15,000	16,000
Federal Mediation and Conciliation Director.....	1	12,000.00	3 <sup>1</sup> (c)	4 <sup>1</sup> (a)	17,500	14,000	15,000
Assistant Federal Security Administrator.....	1	10,330.00	3 <sup>1</sup> (c)	4 <sup>1</sup> (a)	17,500	14,000	15,000
Director, FBI.....	1	14,000.00	3 <sup>1</sup> (c)	3 <sup>1</sup> (a)	17,500	15,000	16,000
Members, Board of Governors of the Federal Reserve System.....	7	15,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	16,000
Director of Aeronautical Research of the National Advisory Committee for Aeronautics.....	1	10,330.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Civil Aeronautics Board.....	4	11,500.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Federal Communications Commission.....	7	15,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	16,000
Board of Directors of Federal Deposit Insurance Corporation (including Comptroller of the Currency).....	3	15,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	16,000
Members, Federal Power Commission.....	5	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Federal Trade Commission.....	5	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Interstate Commerce Commission.....	11	12,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, National Labor Relations Board.....	5	12,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, National Mediation Board.....	3	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Railroad Retirement Board.....	3	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Securities and Exchange Commission.....	5	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, Board of Directors of TVA.....	3	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Chairman, Civil Service Commission.....	1	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	16,000
Members (other than Chairman) of Civil Service Commission.....	2	10,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members, U. S. Tariff Commission.....	6	11,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Members (other than Chairman) of Atomic Energy Commission.....	4	15,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
General counsel, National Labor Relations Board.....	1	12,000.00	4	3 <sup>1</sup> (a)	16,000	15,000	15,000
Architect of Capitol.....	1	10,330.00	4	3 <sup>1</sup> (a)	16,000	14,000	15,000
Deputy Administrator of General Services.....	1	12,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Housing Expediter.....	1	12,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Director, Bureau of Federal Supply.....	1	10,330.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Director of Selective Service.....	1	12,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	15,000
Archivist of the United States.....	1	10,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Assistant Architect of Capitol.....	1	9,985.80	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Members, Displaced Persons Commission.....	3	10,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Members, Indian Claims Commission.....	3	10,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Members, War Claims Commission.....	3	12,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Members, Philippine War Damage Commission.....	3	12,000.00	5 <sup>1</sup> (a)	4 <sup>1</sup> (a)	15,000	14,000	14,000
Assistant Secretaries, Department of State (including Deputy Under Secretaries).....	10	10,330.00	5 <sup>1</sup> (a)	3 <sup>1</sup> (a)	15,000	15,000	15,000
Assistant Secretaries, Department of the Treasury.....	2	10,330.00	5 <sup>1</sup> (a)	3 <sup>1</sup> (a)	15,000	15,000	15,000
Fiscal Assistant Secretary of Treasury.....	1	10,330.00	5 <sup>1</sup> (a)	3 <sup>1</sup> (a)	15,000	15,000	15,000

<sup>1</sup> Compensation same as Under Secretaries of executive departments plus \$500 by reason of sec. 301 (b) of the National Security Act of 1947, as amended by sec. 10 (a) of Public Law 215, 81st Cong.

<sup>2</sup> Compensation same as Under Secretaries of executive departments by reason of sec. 301 (b) of the National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

<sup>3</sup> Rates of compensation to be fixed by the President as follows: In the House bill—2 not exceeding \$20,000; 3 not exceeding \$18,000; 7 not exceeding \$16,000. In the Senate amendment—2 not exceeding \$20,000; 3 not exceeding \$18,000; 7 not exceeding \$15,000. In the conference agreement—2 not exceeding \$20,000; 3 not exceeding \$18,000; 7 not exceeding \$15,000.

## H. R. 1689—Continued

Position (1)	Num- ber (2)	Present salary (3)	Section as passed House (4)	Section as passed Senate (5)	Compensa- tion as passed House (6)	Compensa- tion as passed Senate (7)	Compensa- tion agreed to in con- ference (8)
Assistant Attorneys General, Department of Justice.....	3	\$10,330.00	5 (a)-----	3 (a)-----	\$15,000	\$15,000	\$15,000
Assistant Postmasters General, Post Office Department <sup>4</sup> .....	3	10,305.00	5 (a)-----	3 (a)-----	15,000	14,000	15,000
Assistant Secretaries, Department of the Interior.....	1	10,000.00	5 (a)-----	4 (a)-----	15,000	15,000	15,000
Assistant Secretary, Department of Agriculture.....	2	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of Commerce.....	2	10,305.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of Commerce.....	1	10,000.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of Labor.....	3	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of Defense <sup>5</sup> .....	3	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Under Secretary, Department of the Army <sup>5</sup> .....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Under Secretary, Department of the Navy <sup>5</sup> .....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Under Secretary, Department of the Air Force <sup>5</sup> .....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of the Army <sup>5</sup> .....	2	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of the Navy <sup>5</sup> .....	2	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Secretaries, Department of the Air Force <sup>5</sup> .....	2	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Assistant Solicitor General, United States.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	15,000	15,000
Counselor, Department of State.....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Associate Federal Mediation and Conciliation Director.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000
Deputy Director of Central Intelligence.....	1	10,000.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000
Philipine Alien Property Administrator.....	1	10,000.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Chief Assistant Librarian of Congress.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000
Deputy Public Printer.....	1	10,370.00	5 (a)-----	4 (a)-----	16,000	14,000	14,000
Chairman, Board of Directors of Export-Import Bank of Washington.....	1	15,000.00	4 (a)-----	3 (a)-----	16,000	15,000	16,000
Members (other than Chairman) of Board of Directors of Export-Import Bank of Washington.....	3	12,000.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Chairman, Board of Directors of RFC.....	1	15,000.00	4 (a)-----	3 (a)-----	16,000	15,000	16,000
Members (other than Chairman) Board of Directors of RFC.....	4	12,500.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Chairman, U. S. Maritime Commission.....	1	12,000.00	4 (a)-----	3 (a)-----	16,000	15,000	16,000
Members (other than Chairman) U. S. Maritime Commission.....	4	10,000.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Administrator, Production and Marketing Administration.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	15,000
Commissioner of Internal Revenue.....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Director, Bureau of Prisons.....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Commissioner of Public Roads.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000
Commissioner of Public Buildings.....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Commissioner of Community Facilities.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000
Commissioner of Immigration and Naturalization.....	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000
Administrator of Civil Aeronautics.....	1	12,000.00	5 (a)-----	4 (a)-----	15,000	14,000	15,000
Administrator, Rural Electrification Administration.....	1	12,000.00	5 (a)-----	3 (a)-----	15,000	15,000	15,000
Commissioner for Social Security.....	1	10,330.00	5 (a)-----	3 (a)-----	15,000	13,000	15,000
	1	10,330.00	5 (a)-----	4 (a)-----	15,000	14,000	14,000



Commissioner of Reclamation	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Chief, Soil Conservation Service	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Customs	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Narcotics	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Governor, Farm Credit Administration	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Chief Forester of Forest Service	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Administrator, Farmers Home Administration	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Manager, Federal Crop Insurance Corporation	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Associate Director of FBI	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Special assistants to Secretary of Defense	3						
Commissioners, U. S. Court of Claims	13	9,707.00	5 (a)	4 (a)	15,000	14,000	14,000
Governor of Alaska	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Governor of Hawaii	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Governor of Virgin Islands	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Governor of Panama Canal	1	10,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Director, Administrative Office of United States Courts	1	9,707.00	5 (b)	4 (b)	10,000	14,000	12,500
Legislative counsel, House of Representatives and Senate	2	12,000.00	5 (c)	4 (c)	12,000	12,000	12,000

<sup>4</sup> In the House bill the compensation of the First Assistant Postmaster General was fixed at \$20,000; in the Senate amendment, at \$15,000.

<sup>5</sup> Compensation same as Assistant Secretaries of executive departments by reason of sec. 302 of the National Security Act of 1947, as amended by sec. 10 (b) of Public Law 216, 81st Cong.

<sup>6</sup> As long as positions are held by present incumbents.

Section 5 (a) of the House bill contained a provision which kept the compensation of the position of Legal Adviser of the Department of State at the rate of \$10,330 per annum. Section 30 of the act of May 24, 1924, as amended, provides that the rate of compensation for the Legal Adviser be the same as the rate provided for Assistant Secretaries of State. Since the Senate amendment omitted the provision of the House bill with respect to the Legal Adviser, the compensation for such position under the Senate amendment was increased to \$15,000, the rate provided for Assistant Secretaries of State. Section 6 (d) of the conference substitute amends the act of May 24, 1924, the effect of such amendment being to provide that the position of Legal Adviser shall be subject to, and the compensation for such position shall be fixed under, the Classification Act of 1923 or any subsequent classification law.

Section 6 of the House bill authorized the President to fix the compensation of the chairman or other head of a board or commission at the rate of \$18,000 per annum if such chairman or other head receives the same rate of basic compensation under the bill as the other members of such board or commission and has important duties or responsibilities not imposed upon the other members. The conference substitute omits this provision of the House bill.

Section 8 of the Senate amendment authorizes and directs the head of each department or independent agency in the executive branch of the Government to absorb, within any unobligated or unexpended balances in appropriations available to such department or agency, the increased costs to such department or agency, during the fiscal year 1950, which would result from the enactment of the bill. This provision is retained in section 8 of the conference substitute. The conference substitute adds a sentence, not contained in the Senate amendment, which exempts any agency from absorbing such increased costs if the Director of the Bureau of the Budget certifies that the absorption of such costs by such agency would seriously impair its functions.

TOM MURRAY,  
JAMES H. MORRISON,  
GEORGE P. MILLER,  
EDWARD H. REES,  
KATHARINE ST. GEORGE,  
*Managers on the Part of the House.*











(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to insert his remarks in the RECORD at the point immediately preceding the roll call on the vote to recommit conference report.

Mr. VORYS asked and was given permission to extend his remarks in the RECORD and include an editorial by Walter Lippmann.

#### INCREASED RATES OF COMPENSATION TO HEADS OF EXECUTIVE DEPARTMENTS

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H. R. 1689) to increase the rates of compensation to the heads and assistant heads of the executive departments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The conference report and statement follow:

#### CONFERENCE REPORT (H. REPT. No. 1411)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective House as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$22,500 per annum; the rate of basic compensation of the Deputy Secretary of Defense shall be \$20,000 per annum; and the rate of basic compensation of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall be, respectively, \$18,000 per annum."

"Sec. 2. (a) Section 105 of title 3 of the United States Code is amended to read as follows:

"'COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$15,000 per annum."

"(b) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: "The President is author-

ized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title."

"Sec. 3. The rate of basic compensation of each Under Secretary of an executive department, the Deputy Postmaster General, the Assistant to the Attorney General, the Solicitor General of the United States, the Comptroller General of the United States, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, and the Housing and Home Finance Administrator shall be \$17,500 per annum.

"Sec. 4. The rate of basic compensation of the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Deputy Administrator of Veterans' Affairs, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Director of the Federal Bureau of Investigation, the Chairman of the Civil Service Commission, the Chairman of the Board of Directors of the Export-Import Bank of Washington, the Chairman of the Board of Directors of the Reconstruction Finance Corporation, the Chairman of the United States Maritime Commission, members of the Council of Economic Advisers, members of the Board of Governors of the Federal Reserve System, and members of the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency) shall be \$16,000 per annum.

"Sec. 5. (a) The rate of basic compensation of the Assistant Federal Security Administrator, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, members of the Civil Aeronautics Board, members of the Federal Communications Commission, members of the Federal Power Commission, members of the Federal Trade Commission, members of the Interstate Commerce Commission, members of the National Labor Relations Board, members of the National Mediation Board, members of the Railroad Retirement Board, members of the Securities and Exchange Commission, members of the Board of Directors of the Tennessee Valley Authority, members (other than the Chairman) of the Civil Service Commission, members of the United States Tariff Commission, the General Counsel of the National Labor Relations Board, the Deputy Administrator of General Services, the Archivist of the United States, each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury and the Deputy Under Secretaries of State), each Assistant Attorney General, each Assistant Postmaster General, the Assistant Solicitor General of the United States, the Counselor of the Department of State, the Philippine Alien Property Administrator, members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington (members, other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation, members (other than the Chairman) of the United States Maritime Commission, the Administrator of the Production and Marketing Administration, the Commissioner of Internal Revenue, the Commissioner of Public Roads, the Commissioner of Immigration and Naturalization, the Administrator of Civil Aeronautics, the Administrator of the Rural Electrification Administration, the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal, the Chief of Staff of the Joint Committee on Internal Revenue Taxation, the Public Printer, the Librarian of Congress, and the Architect of the Capitol shall be \$15,000 per annum.

"(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"'The Director shall receive a salary of \$15,000 a year.'

"Sec. 6. (a) The rate of basic compensation of the Housing Expediter, the Director of the Bureau of Federal Supply, the Director of Selective Service, members of the Displaced Persons Commission, members of the Indian Claims Commission, members of the War Claims Commission, members of the Philippine War Damage Commission, the Associate Federal Mediation and Conciliation Director, the Deputy Director of Central Intelligence, the Director of the Bureau of Prisons, the Commissioner of Public Buildings, the Commissioner of Community Facilities, the Commissioner for Social Security, the Commissioner of Reclamation, the Chief of the Soil Conservation Service, the Commissioner of Customs, the Commissioner of Narcotics, the Governor of the Farm Credit Administration, the Chief Forester of the Forest Service, the Administrator of the Farmers Home Administration, the Manager of the Federal Crop Insurance Corporation, the Associate Director of the Federal Bureau of Investigation, the Commissioners of the United States Court of Claims, the Assistant Architect of the Capitol, the Chief Assistant Librarian of Congress, and the Deputy Public Printer shall be \$14,000 per annum.

"(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$12,500 a year."

"(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

"(d) The second sentence of section 30 of the Act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), relating to the appointment and compensation of the Legal Adviser of the Department of State, is amended to read as follows: "The legal adviser shall be appointed by the President, by and with the advice and consent of the Senate."

"Sec. 7. The applicable appropriation for the fiscal year ending June 30, 1950, shall be available for payment of compensation at the rate established for any position by or pursuant to this Act unless it is specifically provided that such appropriation shall not be available for such purpose.

"Sec. 8. The head of each department or independent agency in the executive branch of the Government, having personnel subject to the provisions of this Act, is authorized and directed to absorb the increased costs during the fiscal year 1950 resulting from the enactment of this Act within any unobligated or unexpended balances in appropriations available to such department or independent agency. This section shall not apply to any agency with respect to which the Director of the Bureau of the Budget shall certify that absorption of such increased costs would impair the proper performance of its functions.

"Sec. 9. This Act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act."

And the Senate agree to the same.

TOM MURRAY,  
JAMES H. MORRISON,  
GEORGE P. MILLER,  
EDWARD H. REES,  
KATHARINE ST. GEORGE,

*Managers on the Part of the House.*

OLIN D. JOHNSTON,  
RUSSELL B. LONG,  
HUBERT H. HUMPHREY,  
EDWARD J. THYE,

*Managers on the Part of the Senate.*



## STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The differences between the House bill and the substitute agreed to in conference are noted in the following statement:

The table shows the positions included, the present rate of compensation for each position, and the rate of compensation prescribed for each position in the House bill, the Senate amendment, and the conference substitute. An examination of columns (6) and (8) of the table will disclose the difference in the rate of compensation with respect to any position between the House bill and the conference substitute.

H. R. 1689

Position (1)	Number (2)	Present salary (3)	Section as passed House (4)	Section as passed Senate (5)	Compensation as passed House (6)	Compensation as passed Senate (7)	Compensation agreed to in conference (8)
Secretary, Department of State.....	1	\$15,000.00	1	1	\$25,000	\$22,500	\$22,500
Secretary, Department of Defense.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of the Treasury.....	1	15,000.00	1	1	25,000	22,500	22,500
Attorney General, Department of Justice.....	1	15,000.00	1	1	25,000	22,500	22,500
Postmaster General, Post Office Department.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of the Interior.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Agriculture.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Commerce.....	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Labor.....	1	15,000.00	1	1	25,000	22,500	22,500
Deputy Secretary of Defense.....	1	14,500.00	2 (a)	1	20,500	20,000	20,000
Secretary, Department of the Army.....	1	14,000.00	2 (a)	1	20,000	18,000	18,000
Secretary, Department of the Navy.....	1	14,000.00	2 (a)	1	20,000	18,000	18,000
Secretary, Department of Air Force.....	1	14,000.00	2 (a)	1	20,000	18,000	18,000
Under Secretary, Department of State.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Treasury.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Assistant to the Attorney General, Department of Justice.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Solicitor General of United States.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Deputy Postmaster General, Post Office Department.....	1						17,500
Under Secretary, Department of the Interior.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Agriculture.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Commerce.....	1	10,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Labor.....	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Comptroller General of United States.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Director, Bureau of the Budget.....	1	10,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Chairman, National Security Resources Board.....	1	14,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Federal Security Administrator.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator of Veterans' Affairs.....	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator for Economic Cooperation.....	1	20,000.00	2 (a)		20,000		
Administrator of General Services.....	1		2 (a)	3 (a)	20,000	15,000	17,500
Assistant to the President.....	1		2 (b)	2 (a)	(3)	(3)	(3)
Special counsel to the President.....	1		2 (b)	2 (a)	(3)	(3)	(3)
Secretaries to the President.....	3		2 (b)	2 (a)	(3)	(3)	(3)
Administrative assistants to the President.....	6		2 (b)	2 (a)	(3)	(3)	(3)
Executive Secretary, National Security Council.....	1	10,000.00	2 (b)	2 (a)	(3)	(3)	(3)
Chief of staff, Joint Committee on Internal Revenue Taxation.....	1	10,330.00		2 (c)		15,000	15,000
Housing and Home Finance Administrator.....	1	16,500.00	3 (a)		18,000		17,500
Chairman, Atomic Energy Commission.....	1	17,500.00	3 (a)		18,000		
Chairman, Munitions Board.....	1	14,000.00	3 (a)	3 (a)	18,000	15,000	16,000
Chairman, Research and Development Board.....	1	14,000.00	3 (a)	3 (a)	18,000	15,000	16,000
Deputy Administrator for Economic Cooperation.....	1	17,500.00	3 (a)		18,000		
Assistant Comptroller General of United States.....	1	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000
Assistant Director, Bureau of the Budget.....	11	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000
Deputy Administrator for Veterans' Affairs.....	1	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000
Director, Administrative Office of United States Courts.....	1	10,330.00	3 (b)	3 (b)	15,000	15,000	15,000
Public Printer.....	1	10,330.00	3 (c)	3 (a)	17,500	15,000	15,000
Librarian of Congress.....	1	10,330.00	3 (c)	3 (a)	17,500	15,000	15,000
Members of Council of Economic Advisers.....	3	15,000	3 (c)		17,500		16,000
Director, Central Intelligence.....	1	14,000	3 (c)	3 (a)	17,500	15,000	16,000
Federal Mediation and Conciliation Director.....	1	12,000	3 (c)	3 (a)	17,500	15,000	16,000
Assistant Federal Security Administrator.....	1	10,330	3 (c)	4 (a)	17,500	14,000	15,000
Director, FBI.....	1	14,000	3 (e)	3 (a)	17,500	15,000	16,000
Member, Board of Governors of the Federal Reserve System.....	7	15,000	4		16,000		16,000
Director of Aeronautical Research of the National Advisory Committee for Aeronautics.....	1	10,330	4	3 (a)	16,000	15,000	15,000
Members, Civil Aeronautics Board.....	4	12,000.00	4	3 (a)	16,000	15,000	15,000
Members, Federal Communications Commission.....	7	11,500.00	4	3 (a)	16,000	15,000	15,000
Board of Directors of Federal Deposit Insurance Corporation (including Comptroller of the Currency).....	3	10,000.00	4		16,000		16,000
Members, Federal Power Commission.....	5	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Federal Trade Commission.....	5	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Interstate Commerce Commission.....	11	12,000.00	4	3 (a)	16,000	15,000	15,000
Members, National Labor Relations Board.....	5	12,000.00	4	3 (a)	16,000	15,000	15,000
Members, National Mediation Board.....	3	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Railroad Retirement Board.....	3	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Securities and Exchange Commission.....	5	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Board of Directors of TVA.....	3	10,000.00	4	3 (a)	16,000	15,000	15,000
Chairman, Civil Service Commission.....	1	10,000.00	4	3 (a)	16,000	15,000	16,000
Members (other than chairman) of Civil Service Commission.....	2	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, U. S. Tariff Commission.....	6	11,000.00	4	3 (a)	16,000	15,000	15,000
Members (other than chairman) of Atomic Energy Commission.....	4	15,000.00	4		16,000		
General counsel, National Labor Relations Board.....	1	12,000.00	4	3 (a)	16,000	15,000	15,000
Architect of Capitol.....	1	10,330.00	4	3 (a)	16,000	15,000	15,000
Deputy Administrator of General Services.....	1		4	4 (a)	16,000	14,000	15,000
Housing Expediter.....	1	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Director, Bureau of Federal Supply.....	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Director of Selective Service.....	1	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Archivist of the United States.....	1	10,000.00	5 (a)	4 (a)	15,000	14,000	15,000
Assistant Architect of Capitol.....	1	9,955.80	5 (a)	4 (a)	15,000	14,000	14,000
Member, Displaced Persons Commission.....	3	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Members, Indian Claims Commission.....	3	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Members, War Claims Commission.....	3	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Members, Philippine War Damage Commission.....	3	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Assistant Secretaries, Department of State (including Deputy Under Secretaries).....	10	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000

Footnotes at end of table.



H. R. 1689—Continued

Position (1)	Num- ber (2)	Present salary (3)	Section as passed House (4)	Section as passed Senate (5)	Compensa- tion as passed House (6)	Compensa- tion as passed Senate (7)	Compensa- tion agreed to in con- ference (8)
Assistant Secretaries, Department of the Treasury.....	2	\$10,330.00	5 (a).....	3 (a).....	\$15,000	\$15,000	\$15,000
Fiscal Assistant, Secretary of Treasury.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Attorneys General, Department of Justice.....	3	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Postmasters General, Post Office Department <sup>1</sup> .....	4	10,330.00	5 (a).....	4 (a).....	15,000	14,000	15,000
Assistant Secretaries, Department of the Interior.....	2	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretary, Department of Agriculture.....	1	10,305.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretaries, Department of Commerce.....	2	10,000.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretaries, Department of Labor.....	3	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretaries, Department of Defense <sup>2</sup> .....	3	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Under Secretary, Department of the Army <sup>3</sup> .....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Under Secretary, Department of the Navy <sup>3</sup> .....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Under Secretary, Department of the Air Force <sup>3</sup> .....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretaries, Department of the Army <sup>3</sup> .....	2	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretaries, Department of the Navy <sup>3</sup> .....	2	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Secretaries, Department of the Air Force <sup>3</sup> .....	2	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Solicitor General, United States.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Counselor, Department of State.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Associate Federal Mediation and Conciliation Director.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Deputy Director of Central Intelligence.....	1	10,000.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Philippine Alien Property Administrator.....	1	10,000.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Chief Assistant Librarian of Congress.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Deputy Public Printer.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Chairman, Board of Directors of Export-Import Bank of Washington.....	1	15,000.00	4.....	3 (a).....	16,000	15,000	16,000
Members (other than Chairman) of Board of Directors of Export-Import Bank of Wash- ington.....	3	12,000.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Chairman, Board of Directors of RFC.....	1	15,000.00	4.....	3 (a).....	16,000	15,000	16,000
Members (other than Chairman) of Board of Directors of RFC.....	4	12,500.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Chairman, U. S. Maritime Commission.....	1	12,000.00	4.....	3 (a).....	16,000	15,000	16,000
Members (other than Chairman) of U. S. Maritime Commission.....	4	10,000.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Administrator, Production and Marketing Administration.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	15,000
Commissioner of Internal Revenue.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Director, Bureau of Prisons.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Commissioner of Public Roads.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Commissioner of Public Buildings.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Commissioner of Community Facilities.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Commissioner of Immigration and Naturalization.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	15,000
Administrator of Civil Aeronautics.....	1	12,000.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Administrator, Rural Electrification Administration.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Commissioner for Social Security.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Commissioner of Reclamation.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Chief, Soil Conservation Service.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Commissioner of Customs.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Commissioner of Narcotics.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Governor, Farm Credit Administration.....	1	10,000.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Chief Forester of Forest Service.....	1	10,000.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Administrator, Farmers Home Administration.....	1	10,000.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Manager, Federal Crop Insurance Corporation.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Associate Director of FBI.....	1	10,330.00	5 (a).....	4 (a).....	15,000	14,000	14,000
Special assistants to Secretary of Defense.....	3		5 (a).....		15,000		
Commissioners, U. S. Court of Claims.....	13	9,707.00		4 (a).....		14,000	14,000
Governor of Alaska.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Governor of Hawaii.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Governor of Virgin Islands.....	1	10,330.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Governor of Panama Canal.....	1	10,000.00	5 (a).....	3 (a).....	15,000	15,000	15,000
Assistant Director, Administrative Office of United States Courts.....	1	9,707.00	5 (h).....	4 (b).....	10,000	14,000	12,500
Legislative counsel, House of Representatives and Senate.....	2	\$12,000.00	5 (c).....	4 (c).....	12,000	12,000	12,000

<sup>1</sup> Compensation same as Under Secretaries of executive departments plus \$500 by reason of sec. 301 (h) of the National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

<sup>2</sup> Compensation same as Under Secretaries of executive departments by reason of sec. 301 (b) of the National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

<sup>3</sup> Rates of compensation to be fixed by the President as follows: In the House bill—2 not exceeding \$20,000; 3 not exceeding \$18,000; 7 not exceeding \$16,000. In the Senate amendment—2 not exceeding \$20,000; 3 not exceeding \$18,000; 7 not exceeding \$15,000; 2 legislative assistants not exceeding \$12,500. In the conference agreement—2 not exceeding \$20,000; 3 not exceeding \$18,000; 7 not exceeding \$15,000.

<sup>4</sup> In the House bill the compensation of the First Assistant Postmaster General was fixed at \$20,000; in the Senate amendment, at \$15,000.

<sup>5</sup> Compensation same as Assistant Secretaries of executive departments by reason of sec. 302 of the National Security Act of 1947, as amended by sec. 10 (b) of Public Law 216, 81st Cong.

<sup>6</sup> As long as positions are held by present incumbents.

Section 5 (a) of the House bill contained a provision which kept the compensation of the position of Legal Adviser of the Department of State at the rate of \$10,330 per annum. Section 30 of the act of May 24, 1924, as amended, provides that the rate of compensation for the Legal Adviser be the same as the rate provided for Assistant Secretaries of State. Since the Senate amendment omitted the provision of the House bill with respect to the Legal Adviser, the compensation for such position under the Senate amendment was increased to \$15,000, the rate provided for Assistant Secretaries of State. Section 6 (d) of the conference substitute amends the act of May 24, 1924, the effect of such amendment being to provide that the position of Legal Adviser shall be subject to, and the compensation for such position shall be fixed under, the Classification Act of 1923 or any subsequent classification law.

Section 6 of the House bill authorized the President to fix the compensation of the

chairman or other head of a board or commission at the rate of \$18,000 per annum if such chairman or other head receives the same rate of basic compensation under the bill as the other members of such board or commission and has important duties or responsibilities not imposed upon the other members. The conference substitute omits this provision of the House bill.

Section 8 of the Senate amendment authorizes and directs the head of each department or independent agency in the executive branch of the Government to absorb, within any unobligated or unexpended balances in appropriations available to such department or agency, the increased costs to such department or agency, during the fiscal year 1950, which would result from the enactment of the bill. This provision is retained in section 8 of the conference substitute. The conference substitute adds a sentence, not contained in the Senate amendment, which exempts any agency from absorbing such increased costs if the Direc-

tor of the Bureau of the Budget certifies that the absorption of such costs by such agency would seriously impair its functions.

TOM MURRAY,  
JAMES H. MORRISON,  
GEORGE P. MILLER,  
EDWARD H. REES,  
KATHARINE ST. GEORGE,

Managers on the Part of the House.

#### SCHEDULE OF RATES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow night to file a conference report on the bill (H. R. 5931) to establish a standard schedule of rates for certain employees of the Federal Government.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.



## EXTENSION OF REMARKS

Mr. DAVIS of Georgia asked and was given permission to revise and extend the remarks he made in connection with the supplemental appropriation bill.

Mr. O'HARA of Minnesota asked and was given permission to extend his remarks in the RECORD and include a newspaper article, and further to revise and extend his remarks upon the resolution just passed.

Mr. HELLER (at the request of Mr. BENNETT of Florida) was given permission to extend his remarks in the RECORD.

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include an editorial.

## KENTUCK DRAINAGE DISTRICT TO OPERATE A DAM AND DIKE

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5133) authorizing the Kentucky drainage district to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Kentuck slough.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. DONDERO. Mr. Speaker, reserving the right to object, and I shall not object, may I ask the Chairman to make a brief explanation of the bill?

Mr. WHITTINGTON. Mr. Speaker, this bill authorizes the State of Oregon, through its Highway Department and the drainage district mentioned, to construct a small dam to prevent overflow as specified in the bill. It provides that the work shall be done under the supervision of the Chief of Engineers, and that the work shall be approved by him. It was unanimously reported by the Committee on Public Works, and is explained fully in the report of the committee which is available to members. The bill further provides that the authority shall terminate if actual construction is not commenced within 1 year and completed within 3 years.

Mr. DONDERO. It means no expense to the Government of the United States?

Mr. WHITTINGTON. The gentleman is correct.

Mr. DONDERO. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That authority is hereby granted to the State of Oregon, acting through its highway department, to the Kentucky Inlet Drainage District, organized under the laws of the State of Oregon, to construct, maintain, and to operate at a point suitable to the interests of navigation, a dam and dike to prevent the flow of tidal waters into Kentuck slough (Inlet) in Coos County in township 25 south, range 13 west, Willamette meridian.

Sec. 2. Work shall not be commenced on such dam and dike until the plans therefor, including plans for all accessory works, are submitted to and approved by the Chief of

Engineers and the Secretary of the Army, who may impose such conditions and stipulations as they deem necessary for the protection of the United States.

SEC. 3. The authority granted by this act shall terminate if the actual construction of the dam and dike hereby authorized is not commenced within 1 year and completed within 3 years from the date of the passage of this act. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AMEND SECOND SUPPLEMENTAL NATIONAL DEFENSE ACT, 1943

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5934) to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. DONDERO. Mr. Speaker, reserving the right to object, and I shall not object, of course, except to ask the chairman of the committee to make a brief explanation of the bill.

Mr. WHITTINGTON. The Second Supplemental National Defense Appropriation Act of 1942 provided that all electric fans, water-cooling units, air-conditioning equipment procured by any Federal agency and installed in any Government-controlled buildings should be under the supervision of the Public Buildings Administration without exchange of funds. It has been found that for certain laboratories the agencies themselves know better how to install the cooling units to protect the laboratories belonging to the agency. This bill provides for the agency to do the construction and then to turn it over to the Public Buildings Administration for its control. It does not require any additional appropriation. The report contains a full explanation of the bill. I refer Members to the report.

Mr. DONDERO. Was this bill unanimously reported by the committee?

Mr. WHITTINGTON. It was unanimously reported by the Committee on Public Works and it has been cleared with the majority and minority leaders and the ranking member of the Committee on Public Works.

Mr. DONDERO. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That that portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942, appropriating moneys to the Public Buildings Administration, Federal Works Agency, for salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, and for other purposes, be amended by changing the colon to a comma after the word "buildings" (as

set forth in line 22 of paragraph 5, page 999, of volume 56, part 1, U. S. Stat. L.), and adding the following: "such restrictions shall not apply, however, to ventilating and temperature and humidity control equipment for special laboratory, scientific, and research purposes, the cost of the purchase and installation of which may be borne from the appropriations of the particular Federal agency utilizing such equipment, but such installations shall be subject to approval by the General Services Administration and subsequent to its installation the equipment shall be maintained and operated by the General Services Administration and shall remain under the custody and control of such Administration without exchange of funds:".

The bill was ordered to be engrossed and read a third time, was read the third time, passed, and a motion to reconsider was laid on the table.

## PERMISSION TO ADDRESS THE HOUSE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute for the purpose of asking the majority leader if he can give us some additional information as to the program for Thursday and Friday of this week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## PROGRAM FOR REMAINDER OF WEEK

Mr. McCORMACK. I will be very glad to answer the inquiry, and I am glad the gentleman has made it today, in view of the fact that the House is not meeting tomorrow.

Of course, conference reports will always be in order.

As to the legislative business from Thursday on, the measures I am naming I am stating for the information of the House, although I do not mean to be understood as confining myself to those, for there may be others.

By unanimous consent granted yesterday, District of Columbia business is to be in order on Thursday. Following that there will be taken up these bills:

H. R. 2392, the rural rehabilitation trust funds bill.

House Resolution 331, to give the Committee on Banking and Currency authority to investigate housing abroad.

House Joint Resolution 134, to amend the National Housing Act and extend titles I and VI.

H. R. 6305, relating to the international wheat agreement.

That is the specific program I can announce at present.

Mr. ARENDS. I thank the gentleman very much.

## CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. SABATH. Mr. Speaker, I call up House Resolution 388 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved,* That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes. That after









application, if the statement is accompanied by letters from three citizens of the State in which residence is claimed corroborating the statement.

TOM MURRAY,  
GEORGE P. MILLER,  
EDWARD H. REES,

*Managers on the Part of the House.*

**COLUMBIA INSTITUTION FOR THE DEAF  
OFFICERS AND EMPLOYEES BROUGHT  
UNDER CIVIL SERVICE RETIREMENT  
ACT**

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 10, 1949.)

The conference report was agreed to. A motion to reconsider was laid on the table.

**INCREASING RATES OF COMPENSATION  
OF THE HEADS AND ASSISTANT HEADS  
OF EXECUTIVE DEPARTMENTS AND  
INDEPENDENT AGENCIES**

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 11, 1949.)

Mr. MURRAY of Tennessee. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is a conference report on the bill (H. R. 1589) to increase the compensation of certain executive employees of our Government.

After this legislation was approved by this body, it went to the other body which amended the bill, H. R. 1689. As a result of disagreement between the two bodies the bill was sent to conference. All of the managers on the part of the House have agreed to the conference report as submitted, which is a compromise between the versions of the bill as passed by the House and as amended by the Senate.

There are 253 positions included in this bill. The House bill provided for a salary of \$25,000 for each Member of the Cabinet. The Senate amendment reduced that amount to \$22,500 and the conference report approves the Senate figure of

\$22,500 which is the top salary in this bill.

The salary of Under Secretaries was fixed at \$20,000 in the House bill. The Senate made the salaries \$17,500 and the House has agreed to the Senate amendment.

The House fixed the salaries of members of independent boards, agencies, and commissions at \$17,500. The Senate amended this to \$16,000, to which the conferees have agreed, with one or two exceptions listed in the report.

The salaries of all assistant secretaries in our various departments and agencies were fixed at \$15,000. The lowest salary in this bill is \$14,000 which salary bracket contains the positions of bureau heads in other than independent agencies. They are bureau heads within certain agencies or departments.

The total cost of the bill as agreed upon under the conference report will be \$1,083,000. The conference report reduces the cost of the bill as passed by the House by \$159,701.

Mr. Speaker, the merits of this legislation were fully presented to the House when the bill was considered. The managers on the part of the House believe that this conference report is fair and just. While it makes certain concessions, at the same time it gives an adequate increase to certain executives of our Government. I trust there will be no opposition to the conference report.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Speaker, as the distinguished chairman of our committee has explained, this is a conference report on the so-called top flight pay bill that passed the House 3 weeks ago, and approved in somewhat different form by the other body. It is the legislation over which the President has been anxious. It increases the salaries of approximately 250 positions, nearly all are filled by appointment by the President. A few, but not most of them, require confirmation by the Senate.

This report is a compromise between the House measure and the one approved by the body. You will observe the salaries indicated are, in many instances, lower than those in the House bill. In fact, they are more nearly in line with a compromise I tried to secure when the bill was considered here. The other body did add several positions not in the House bill. I did not think this was necessary.

The bill, as passed by the other body, included a provision that would require the President to submit each year, in addition to his regular budget, additional budget, or balanced budget. In other words a budget containing all items he deemed necessary that would come within the income of the Treasury. I thought the provision had merit and sound reasoning. The President objected to this provision of the legislation. He opposed it so strenuously that he followed the unusual procedure of calling the conferees of both Houses to the White House, before they had opportunity to consider the measures, so he could tell the conferees he wanted that partic-

ular provision removed from the legislation.

This procedure, on the part of the President, was, to say the least, unusual. I can, of course, understand the deep interest of the President in securing higher salaries for his appointees.

The President has insisted that he must have more money in order that he may have qualified men to hold important positions in Government. I agree there are many men in Government service who are highly trained and especially qualified, and who are not what are known as political appointees, and who are entitled to more pay than they now receive. On the other hand, Mr. Speaker, there are far too many who are put in positions in high places because of political contributions and political influence, and not because of their outstanding qualifications for their jobs. A few of this latter group have been called to the attention of the Congress in recent months.

It is my sincere hope we may have better and more competent people in service in Government by reason of the enactment of this legislation.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Pennsylvania.

Mr. HUGH D. SCOTT, JR. I am just wondering whether or not these increases are being requested by any of the selfish interests to whom the President frequently makes reference.

Mr. REES. We have not had before our committee or otherwise any so-called selfish interests to which the gentleman refers. In fact, I hardly know who the so-called selfish interests are. I am inclined to think the term is sort of straw man. In any event it is not very well defined. If you really want to know about interest in this legislation, ask almost anyone on the majority side, and several on the minority side, about the lobbying that has been going on concerning this legislation. Ask about the phone calls they have received from high places, and about individuals from down town who have been up here calling on Members of this House concerning this legislation. This does not apply to nearly all who are affected by this legislation. But you would be surprised how many have interested themselves in this measure.

Mr. Speaker, employment in Government service is a high privilege. It is different from other employment. These positions call for men and women of the highest degree of patriotism and integrity. Not one should be appointed to any of these positions whose loyalty or qualifications are questioned. We are fortunate, in this great country, to have plenty of men and women of the highest caliber of integrity and ability who are willing to serve their country in these places. There is no good reason why our country should not have the best.

(Mr. REES asked and was given permission to revise and extend his remarks.)

Mr. MURRAY of Tennessee. Mr. Speaker, I move the previous question.

The previous question was ordered.



The conference report was agreed to. A motion to reconsider was laid on the table.

#### PRICING PRACTICES

Mr. CELLER submitted the following conference report and statement on the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices:

#### CONFERENCE REPORT (H. REPT. NO. 1422)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "(except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition)"; and the House agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows:

Omit the matter proposed to be inserted by the House amendment; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "reliable, probative, and substantial evidence"; and the House agree to the same.

FRANCIS WALTER,  
By EARL C. MICHENER,  
EARL C. MICHENER,  
CLIFFORD CASE,

By EARL C. MICHENER,  
*Managers on the Part of the House.*

PAT MCCARRAN,  
Per H. R. O'CONOR,  
HERBERT R. O'CONOR,  
ALEXANDER WILEY,

*Managers on the Part of the Senate.*

#### STATEMENT

Senate bill 1008 covers two related and yet separate problems pertaining to a competitive economy. First, it deals with the right of an individual seller to absorb freight costs in varying amounts, or to sell at delivered prices, in order to engage in competition in good faith. There has been widespread feeling that sellers should, and to protect plant investments and employment must, be permitted to absorb freight costs or to sell at delivered prices in order to sell their products in competition with more favorably located

competitors. The congressional debates indicate little opposition to this part of the bill, and a desire to clarify the legality of competitive freight absorption. The major controversy has centered about certain dicta in the *Cement Institute* case (333 U. S. 683), which the proponents of this bill maintain has thrown a cloud of doubt around the legality of individual freight absorption and use of uniform delivered price systems, while the opponents of the bill contend that the decision left undisturbed the previously prevailing rule.

The bill also deals, however, with the extent to which sellers may lawfully discriminate in price to meet the lower prices of their competitors. Proponents of the bill believe sellers should be permitted to so discriminate whenever they can affirmatively prove that they are doing so in good faith. Real and vigorous competition as well as the public interest can never be adversely affected when sellers are actually competing in good faith. Some believe, however, that sellers should not be permitted to discriminate in price if doing so will take an order away from any other businessman. This is, of course, a tendency toward the elimination of competition, or what the Council of Economic Advisers calls "soft competition". Still others hold views which lie between those positions. There are also those who appear to be uncertain of the practices which are in fact good faith competition, and who wish to expressly prohibit any price discrimination of a seller to drive out of business a competitor of the favored buyer. Amendments to the bill offered on the floor in the Senate and in the House of Representatives were aimed at protecting competitors against predatory practices.

To prohibit price preferences to drive out of business a competitor of the favored buyer, amendments to sections 2 and 3 of the bill were adopted in the Senate. With a view of accomplishing much the same purpose, but using substantially different language, amendments to those sections of the bill were adopted in the House of Representatives.

These purposes appear from the statements made by the proponents of these amendments, Congressman CARROLL said in support of the House amendment which he introduced:

"I want to tell you that there is no longer the issue before this committee of whether or not we are in favor of freight absorption. I do not pretend to know enough about the difference in philosophy between the basing-price theory and the mill-price theory, but I do know the reason which was advanced for bringing this bill before this body. The distinguished Senator from Wyoming [Mr. O'MAHONEY], the distinguished Senator from Maryland [Mr. O'CONOR], and the distinguished Senator from Pennsylvania [Mr. MYERS] have led us to believe in debate in the Senate, and I agree with them, that the issue was the clarification of certain Supreme Court decisions. How were they going to clarify them? By a legislative declaration overcoming certain dicta in a Supreme Court decision. Now, I can go along with that. That is the clarification of the doctrine that permits freight absorption. Well, I can go along with that. But, why do we have to take another uncalled-for and dangerous step? Why do we have to amend the Robinson-Patman Act, which was expressly designed to protect small business against unfair price discrimination?"

"\* \* \* Certainly we in the West recognize that, for example, the sugar industry in order to compete must be able to absorb freight costs. We know that. I do not know that we can entirely abandon the whole pricing zone system theory. I do not think we can. But what we can say is this: Let us keep what little protection there is on the

books for the small-business man and for the consumer.

"\* \* \* I do not agree with some of my colleagues who want to discuss the difference in philosophy between the basing-point system and the mill-price system. I think our present economy demands this sort of system, whether it is the basing-point or the zone system or the uniform pricing system. I say you cannot tear it out, root and branch, now. You would create chaos throughout the Nation. But in your desire to clarify, do not injure the small-business man. Do not give way to creation of greater monopolies. This decision would be very, very far-reaching, because if you reject my amendment then what you do is destroy the circuit-court opinion, and you will destroy any consideration of the issue now before the Supreme Court. You will take away from the Supreme Court the right to make a decision under the Robinson-Patman Act as previously outlined. I sincerely hope you will accept this amendment."

Senator KEFAUVER, its sponsor, said in support of the Senate amendment:

"Let me call the Senator's attention to the chart I have here. If A is a large consumer, and is buying something from B at, let us say, \$10 a ton, and he is charging all the small customers—X, Y, Z, L, M—\$15 a ton, C can come along even though he is at a distance and absorb freight and sell also to A at \$10 a ton. If the Federal Trade Commission tried to prosecute C under the Clayton Act the fact that B was charging \$10 a ton in his sales to A would be a complete defense. That is the showing that another seller was charging the same price would be a showing of good faith under the language of subsection B of the bill. Is not that true?"

Mr. O'MAHONEY. "No; I am not ready to agree with that statement. I will say to the Senator from Tennessee that I do not believe the present law undertakes to preserve the status quo in any line of business. Without question there are some purchasers of commodities from wholesalers who do not operate as efficiently or as economically as others, and the price at which they have to buy their material may be such as to make it impossible for them, by reason of their inefficiency, to operate at a profit. It is not the purpose of the existing law to compel the preservation in business of those who are suffering because of lack of efficiency."

Mr. KEFAUVER. "Of course, the fact that A may buy in greater quantity or that different conditions may exist has always been a defense in a case before the Federal Trade Commission."

Mr. O'MAHONEY. "And still is."

Mr. KEFAUVER. "And still is. But the fact that the small fellow may be undercut by 50 percent under the present regulation of the Federal Trade Commission is not a defense because it is a discrimination, even though two or more may be selling A at the same price. The reason that is so is that the United States Circuit Court of Appeals, as the Senator well knows, recently, in its January session, held by unanimous opinion—and the case is now before the Supreme Court—that if B is selling A on the basis of \$10 a carload, and C starts selling A at \$10 a carload whereas they sell the little fellow at \$15 a tankload of gasoline or a carload, the mere fact that they are selling A at the same price does not meet the requirements of the Robinson-Patman Act—that is, if there is unfair competition or discrimination, even though they may be selling A at the same price, they are still guilty of violation of section 2 of the Clayton Act, which is the Robinson-Patman Act."

The Congress and the people are committed to the competitive system. We universally adhere to the concept that competition is essential to our economy and must be preserved and maintained in all segments of every industry whose activities are



the Senate. The Senator from Montana [Mr. ECTON], the Senator from Minnesota [Mr. HUMPHREY] and I were appointed conferees on the part of the Senate. The report is agreed to by all the conferees. In conference we ironed out all our differences. There is no opposition to the report. The amendment is of a clarifying nature. It provides that an applicant shall state to the Civil Service Commission the State from which he comes.

Mr. LANGER. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

#### INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Washington yield to me?

Mr. CAIN. I shall be pleased to do so.

Mr. JOHNSTON of South Carolina. I should like to submit a privileged matter. I wish to submit a conference report on House bill 1689, an act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies. The House has already adopted the report. The bill is known as the executive pay bill.

Mr. CAIN. Mr. President, reserving the right to object—

Mr. MYERS. Mr. President, I was about to ask unanimous consent that the Senator from Washington may yield for the purpose of presentation of the report, without losing his right to the floor by doing so.

The PRESIDING OFFICER. Is there objection to the request that the Senator from Washington may yield to the Senator from South Carolina for the purpose of the presentation of a conference report, without losing his rights to the floor by doing so?

Mr. CAIN. Mr. President, reserving the right to object, might I say to the Senator from South Carolina that several Senators to my knowledge have an interest in the conference report and would like to be permitted to ask some questions about it. I wonder if the matter could be passed over for a short period.

Mr. JOHNSTON of South Carolina. I suggest that consideration of the report be passed over for the time being. However, I want to submit the report and let the Senate know about it. I shall call it up for consideration later this afternoon. I wish to submit the report.

The PRESIDING OFFICER. Is there objection to that being done without the Senator from Washington losing any of his rights to the floor? The Chair hears none, and it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I submit the report.

#### ORDER OF BUSINESS

The PRESIDING OFFICER. The Chair may say before the Senator from Washington resumes, that he is advised

by the Parliamentarian, and was also advised by the Vice President, who was obliged to leave to join our recent guest and the group accompanying him in order to be present when pictures are taken, that it was the intention of the majority leader to ask unanimous consent to have the unfinished business temporarily laid aside and to have considered some short matters. It might be that the Senator from Washington would not care to proceed with his long address until the other matters are disposed of. The Chair merely informs the Senator that that was the plan of the majority leader. Of course, the Senator from Washington has the floor and may proceed if he wishes. The Chair simply wanted to advise him what the plan was.

Mr. CAIN. Mr. President, I shall be guided by the advice of the present occupant of the chair. Whatever may be the wish of the Chair I shall be guided by it in an effort to expedite action on the several matters of business which it is proposed to bring before the Senate.

#### IMPLEMENTATION OF INTERNATIONAL WHEAT AGREEMENT

Mr. JOHNSTON of South Carolina. I wish to say with respect to the International Wheat Agreement—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from South Carolina if unanimous consent can be obtained that he may do so without losing any of his rights to the floor?

Mr. CAIN. Mr. President, I shall be glad to yield to the Senator from South Carolina, with the understanding that I shall not lose any rights I may have to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Washington yields to the Senator from South Carolina with the understanding that the Senator from Washington will not lose any rights which he may have to the floor.

Mr. JOHNSTON of South Carolina. Mr. President, the International Wheat Agreement needs implementation. A bill to this end has been reported from the Committee on Agriculture and Forestry.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. Has a request been made to consider the bill?

Mr. CAPEHART. Permission has not been given to take up the bill.

The PRESIDING OFFICER. The Chair would like to state the situation as he understands it. The Senator from Washington [Mr. CAIN] has the floor. He has yielded, under a unanimous-consent agreement, that he will not lose his right to the floor, for the consideration of certain incidental matters. No action has been taken upon the question of whether or not the Senate will consider the measure referred to by the Senator from South Carolina.

Mr. WHERRY. I wonder if the distinguished Senator from South Carolina will withhold his request until later. A number of Senators who would like to be

present are at lunch. I think before this bill is taken up there should be a quorum call. Perhaps in an hour or so, if the Senator wishes to renew his request at that time, more Senators will be in the chamber, and their rights will be protected.

Mr. CAIN. Mr. President, if the Senator will permit me to make a suggestion, if the matters now in charge of the Senator from South Carolina are not likely to take very much time, in view of the fact that the unfinished business involves a serious and large question, the sooner we can dispose of the other matters the better.

Mr. CAPEHART. I do not think we ought to take up the bill to implement the International Wheat Agreement without a quorum call.

Mr. WHERRY. Mr. President, if the Senator from Washington would yield for a quorum call, I would not be averse to going along with the suggestion.

Mr. CAIN. Mr. President, I am glad to yield for the purpose of a quorum call, to dispose of the other matters, so that we may devote our entire attention to the pending business.

Mr. WHERRY. I suggest the absence of a quorum if the Senator will yield for that purpose.

Mr. CAIN. Mr. President, I ask unanimous consent that I may yield for that purpose with the understanding stated.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that he be permitted to yield for the purpose of a quorum call without losing any of his rights. Is there objection? The Chair hears none. The Senator from Nebraska suggests the absence of a quorum. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Alken	Hickenlooper	Magnuson
Anderson	Hill	Malone
Baldwin	Hoey	Martin
Brewster	Holland	Maybank
Bridges	Humphrey	Millikin
Byrd	Hunt	Morse
Cain	Ives	Mundt
Capehart	Jenner	Myers
Chapman	Johnson, Colo.	Neely
Connally	Johnson, Tex.	O'Connor
Cordon	Johnston, S. C.	O'Mahoney
Donnell	Kem	Pepper
Douglas	Kerr	Russell
Downey	Kilgore	Saltonstall
Eastland	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Ellender	Leahy	Thomas, Okla.
Ferguson	Lodge	Thomas, Utah
Fulbright	Long	Thye
George	Lucas	Watkins
Graham	McCarthy	Wherry
Green	McFarland	Wiley
Gurney	McKellar	Williams
Hayden	McMahon	Young

The PRESIDING OFFICER. A quorum is present.

Mr. LUCAS. Mr. President, the Senator from South Carolina [Mr. JOHNSTON] has reported from the Committee on Agriculture and Forestry Senate bill 2383, which is a bill to give effect to the International Wheat Agreement signed by the United States and other countries. I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2383.



The PRESIDING OFFICER (Mr. HILL in the chair). Is there objection to the present consideration of the bill?

Mr. CAPEHART. I have no objection.

There being no objection, the Senate proceeded to consider the bill (S. 2383) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. JOHNSTON of South Carolina. Mr. President, this is the bill to give effect to the International Wheat Agreement which was signed by the United States and other countries. As the majority leader just stated, the bill will implement that agreement. In the agreement the United States has agreed to furnish 168,000,000 bushels of wheat at the world price. It is estimated at the present time that in order to carry out the agreement, into which we have already entered, it will be necessary for this measure to be enacted.

The legislative history of the ECA appropriations for the current fiscal year shows clearly that such appropriations were reduced \$60,000,000 in the expectation that the ECA would not pay the subsidy involved in the shipment of wheat and wheat flour to the ECA countries which are signatories to the International Wheat Agreement. They were under the impression, and were also led to believe by the committee that the Commodity Credit Corporation appropriation would be used to pay that difference.

So this bill was introduced by the chairman of the Committee on Agriculture and Forestry, and was considered by a subcommittee of that committee. The subcommittee reported the bill unanimously. Subsequently the full committee reported the bill unanimously. We were under the impression—and rightly so, I think—that inasmuch as the United States had already entered into the agreement—

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CAPEHART. Was that agreement entered into under a law passed or a treaty adopted by the United States?

Mr. JOHNSTON of South Carolina. It was a treaty, as I understand.

Mr. CAPEHART. And has it been favorably acted upon by the Senate?

Mr. JOHNSTON of South Carolina. That is my understanding.

Mr. CAPEHART. What amount of funds is involved?

Mr. JOHNSTON of South Carolina. Sixty million dollars.

Mr. CAPEHART. And is the question whether that money will be paid by the ECA or by the Commodity Credit Corporation?

Mr. JOHNSTON of South Carolina. Yes.

Mr. CAPEHART. The bill directs that the money be paid by which branch of the Government?

Mr. JOHNSTON of South Carolina. By the Commodity Credit Corporation.

Mr. CAPEHART. Rather than by the ECA?

Mr. JOHNSTON of South Carolina. Yes; rather than by the ECA.

Mr. CAPEHART. Is it the Senator's opinion that the Senate is morally obligated to pass this bill?

Mr. JOHNSTON of South Carolina. Yes, because when the matter was previously before the Appropriations Committee, that was the understanding which was had then.

Mr. CAPEHART. No new legislation, no new philosophy, and no new matters are involved or introduced as a result of the enactment of this bill. Is that correct?

Mr. JOHNSTON of South Carolina. That is my understanding.

Mr. SCHOEPPPEL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SCHOEPPPEL. Will enactment of this bill require an additional appropriation of \$60,000,000?

Mr. JOHNSTON of South Carolina. My understanding is that the Commodity Credit Corporation already has the necessary funds, but it wishes the authorization to be made, in order that it may go forward with this matter.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. In effect, what the Senator from Kansas is saying is true, namely, that although an additional appropriation will not be required now, yet the expenditure will be an additional one. Is not that correct?

Mr. JOHNSTON of South Carolina. Oh, yes; when the Commodity Credit Corporation runs out of money, it will come to the Congress for additional funds; that is true.

Mr. President, if there are other questions in regard to the bill, I shall be glad to answer them. If not, I hope action will be taken at once on the amendments and on the bill.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment was, on page 3, line 1, after "57 Stat.", to strike out "586" and insert "566".

The amendment was agreed to.

The next amendment was, on page 3, in line 5, after the word "thereunder", to insert "on and after August 1, 1949, and up to and including June 30, 1950. Where prices in excess of the International Wheat Agreement prices have been paid for such wheat and wheat flour financed by the Economic Cooperation Administration on or after August 1, 1949, and up to and including June 30, 1950, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts. Funds realized from such reimbursement shall revert to the respective appropriation or appropriations from which funds were expended for the procurement of such wheat and wheat flour. There are hereby authorized to be appropriated such sums as may be necessary to make payments to the

Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions hereunder. The Commodity Credit Corporation is hereby authorized in carrying out its functions hereunder to utilize, in advance of such appropriations or payments, any assets available to it."

The amendment was agreed to.

The next amendment was, on page 5, line 7, after the words "equal to", to strike out "three times".

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. WILLIAMS. Mr. President, if I understand the matter correctly, this measure applies only to the amount of wheat authorized under the International Wheat Agreement. Is that correct?

Mr. JOHNSTON of South Carolina. Yes; only to the amount of wheat authorized under the International Wheat Agreement, which is 168,000,000 bushels.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2383) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That this act shall be known as the "International Wheat Agreement Act of 1949."

SEC. 2. The President is hereby authorized, acting through the Commodity Credit Corporation, to make available or cause to be made available, notwithstanding the provisions of any other law, such quantities of wheat and wheat flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement of 1949 signed by Australia, Canada, France, the United States, and Uruguay, and certain wheat importing countries (hereinafter called "International Wheat Agreement"). Nothing herein shall be construed to preclude the Secretary of Agriculture in carrying out programs to encourage the exportation of agricultural commodities and products thereof pursuant to section 32 of Public Law 320, Seventy-fourth Congress, as amended, from utilizing funds available for such programs in such manner as, either separately or jointly with the Commodity Credit Corporation, to exercise the rights, obtain the benefits, and fulfill all or any part of the obligations of the United States under the International Wheat Agreement or to preclude the Commodity Credit Corporation in otherwise carrying out wheat and wheat flour export programs as authorized by law. Nothing contained herein shall limit the duty of the Commodity Credit Corporation to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in making available or causing to be made available wheat and wheat flour hereunder. The pricing provisions of section 112 (e) of the Economic Cooperation Act of 1948 and section 4 of the act of July 16, 1943 (57 Stat. 566), shall not be applicable to domestic wheat and wheat flour supplied to countries which are parties to the International Wheat Agreement and credited to their guaranteed purchases thereunder on and after August 1, 1949, and up to and including June 30, 1950. Where prices in excess of the International Wheat Agreement prices have been paid for such wheat and wheat flour financed by the Economic Cooperation Administration



The PRESIDING OFFICER. Objection is heard.

#### AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, I am sure the Senator from Missouri knows that I should like to be able to accede to his wish, but I think it would be better to return to the subject in hand. It will take some time to conclude.

I should like to continue reading from schedule 3 of the Committee on Displaced Persons, which covers the first quarter of 1948 and which was filed on the 9th day of April 1948.

#### EXTENSION OF CERTAIN TEMPORARY APPROPRIATIONS

Mr. McKELLAR. Mr. President, will the Senator yield in order that I may ask immediate consideration of House Joint Resolution 368?

Mr. CAIN. I shall be glad to yield to the Senator, provided my rights to the floor are not jeopardized.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Senator from Washington may yield briefly and that his rights to the floor shall not be jeopardized thereby.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McKELLAR. Mr. President, the House passed a continuing resolution and sent it to the Senate, which I now report from the Committee on Appropriations with an amendment. The military-pay bill is still in conference. The conferees have not yet been able to agree, and the military employees will be without money on the 15th which will be the day after tomorrow, unless we protect them in some way.

The PRESIDING OFFICER. The clerk will read the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 368) further amending the act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. DONNELL. Mr. President, reserving the right to object, will the Senator be kind enough to explain the resolution?

Mr. McKELLAR. Mr. President, I ask the clerk to read the resolution. It is self-explanatory.

The legislative clerk read as follows:

*Resolved, etc., That Public Law 154 (81st Cong.), making temporary appropriations for the fiscal year 1950, and for other purposes, as amended, is hereby further amended by striking out in section (c) thereof "October 1, 1949" and inserting in lieu thereof "January 16, 1950."*

Mr. McKELLAR. Mr. President, I will say to the Senator from Missouri that the situation is that the House passed this joint resolution some time ago. It has been in the committee, and the committee considered it this afternoon. Its purpose is to enable certain employees of the Government to be paid, because of

difficulty and delay in finally acting on a certain appropriation bill.

With the exception of some incidental ones which have arisen in the last day or two, all the appropriations have been passed except the military appropriation bill, and in that there is a difference on only two items. Day after tomorrow employees of the Military Department will be entitled to their pay, and we will have to pass this continuing joint resolution in order that they may be paid.

The committee unanimously reported the joint resolution with an amendment extending the time to January 16, 1950, so that there will not be any further trouble about it.

Mr. DONNELL. I make no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 368) further amending the act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes, which had been reported from the Committee on Appropriations with an amendment in line 7, to strike out "October 10, 1949," and insert "January 16, 1950."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendment, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

#### AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, I refer again, if I may, in the hope that I may conclude, to schedule No. 3. I wish to read the first name as being that of—

#### RETURN OF TREATIES TO THE PRESIDENT

Mr. CONNALLY. Mr. President, I ask the Senator from Washington to yield in order that I may report favorably from the Committee on Foreign Relations a resolution for which I desire to ask immediate consideration.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Texas?

Mr. CAIN. I yield, if thereby I do not lose the floor.

Mr. CONNALLY. I report the resolution and ask that it be read.

The PRESIDING OFFICER. The clerk will read the resolution for the information of the Senate.

The resolution (S. Res. 188) was read, as follows:

*Resolved, That the Secretary of the Senate be, and is hereby, directed to return to*

the President of the United States, in accordance with his request, the following treaties:

Notes exchanged at Washington May 3, 1944, between the Governments of the United States of America and Canada amending in its application article V of the treaty signed on January 11, 1909, between the United States of America and His Britannic Majesty to permit an additional diversion of the waters of the Niagara River above the Falls (Ex. E, 78th Cong., 2d sess.).

Protocol signed in Ottawa on October 3, 1945, to be annexed to and to form a part of the extradition treaty between the United States of America and Canada, signed in Washington on April 29, 1942 (Ex. I, 79th Cong., 1st sess.).

Convention (No. 71) concerning seafarers' pensions, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6-29, 1946 (Ex. W, 80th Cong., 1st sess.).

Convention (No. 72) concerning vacation holidays with pay for seafarers, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6-29, 1946 (Ex. X, 80th Cong., 1st sess.).

Convention (No. 75) concerning crew accommodation on board ship, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6-29, 1946 (Ex. BB, 80th Cong., 1st sess.).

Convention (No. 76) concerning wages, hours of work on board ship, and manning, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6-29, 1946 (Ex. DD, 80th Cong., 1st sess.).

International wheat agreement, which was open for signature in Washington from March 6 until April 1, 1948 (Ex. F, 80th Cong., 2d sess.).

Mr. DONNELL. Mr. President, will not the Senator from Texas explain what the resolution is?

Mr. CONNALLY. Certainly.

Mr. DONNELL. Would the Senator be kind enough to tell me, first, whether or not the resolution comes before the Senate with the approval of the Committee on Foreign Relations?

Mr. CONNALLY. The Committee discussed it, but I do not think it ever made a formal report on the resolution. The President has requested the return of these treaties, and we are anxious to return them because they are out of date, and they are cluttering our calendar. There is no controversy about them. One was the wheat agreement. It was the one to which we did not adhere. We have made one since, and there is no use keeping the old one. That is simply an example of what I am referring to. The Senator from Wisconsin [Mr. WILEY] is in the Chamber, and he is familiar with the matter.

Mr. DONNELL. I take it from the Senator's statement that he sees no possible jeopardy to the United States from the return of the treaties.

Mr. CONNALLY. None whatever.

Mr. DONNELL. May I inquire if that is the opinion of the Senator from Wisconsin?

Mr. WILEY. It is.

Mr. CONNALLY. The committee voted that the resolution be reported.

Mr. DONNELL. Was the action unanimous?

Mr. CONNALLY. Yes.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?



Mr. DONNELL. I have no objection.

There being no objection, the resolution was considered and agreed to.

#### SETTLEMENT WITH FINLAND—LEAVE TO FILE REPORT

Mr. WILEY. Mr. President, I should like to ask unanimous consent to file a report.

The PRESIDING OFFICER. Does the Senator from Washington yield?

Mr. CAIN. I yield if I may do so with the understanding that my right to the floor will not be jeopardized.

Mr. WILEY. Mr. President, I am assuming that there may be an adjournment, and recently I introduced a bill which related to a settlement with Finland. I am informed that the report on that bill will be ready shortly, but if Congress should be in adjournment, I ask that I may be privileged to file the report after the adjournment, and that it may be printed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

#### FEDERAL COOPERATIVE FORESTRY PROGRAMS—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I ask unanimous consent that I may present a conference report, to which I understand there is no objection, and I desire to ask for the immediate consideration of the report.

Mr. CAIN. A parliamentary inquiry. If it could be so arranged ahead of time I would willingly yield to any Senator who legitimately had the right to ask it. If my rights are not jeopardized, I am glad indeed to yield whenever the request is made.

The PRESIDING OFFICER. The Chair may state that in yielding for purposes such as those recently presented the Senator will not lose his right.

Mr. ELLENDER. Mr. President, I submit a conference report on House bill 2296, to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate, and agree to the same.

ALLEN J. ELLENDER,  
SPESSARD L. HOLLAND,  
GEORGE D. AIKEN,  
EDWARD J. THYE,

*Managers on the Part of the Senate.*

HAROLD D. COOLEY,  
WALTER K. GRANGER,  
CLIFFORD R. HOPE,  
AUG. H. ANDRESEN,

*Managers on the Part of the House.*

Mr. DONNELL. Mr. President, will not the Senator from Louisiana explain what the report is?

Mr. ELLENDER. I am glad to be able to say that the House recedes from its disagreement to the amendments of the Senate, and the bill I am asking the Senate to consider is the same bill considered by the Senate on the Consent Calendar.

Mr. DONNELL. Is the conference report signed by all the Senate conferees?

Mr. ELLENDER. It is.

The PRESIDING OFFICER. Is there objection to the consideration of the report?

There being no objection the report was considered and agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent that I may file a short statement in explanation of the report.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

Mr. ELLENDER's statement is as follows:

#### H. R. 2296—AMENDMENTS TO CLARKE-M'NARY ACT

The bill as agreed to in conference increases the amount authorized to be appropriated annually for Federal participation in the State-Federal forestry programs, as follows:

1. The forest fire protection program is increased from \$9,000,000 to \$20,000,000. The \$20,000,000 authorization will be arrived at gradually, starting with \$11,000,000 in 1950 and increasing by \$2,000,000 annually until the \$20,000,000 ceiling is reached in 1955.

2. The reforestation program is increased from \$100,000 to \$2,500,000. This \$2,500,000 ceiling will be reached gradually, starting with \$1,000,000 for 1950 and arriving at the \$2,500,000 limit in 1953. The present law restricts participation in this program to farmers, while the pending bill will permit nonfarm woodland owners to participate.

3. The State-Federal forestry educational program is increased from \$100,000 to \$500,000 annually.

Section 4, which was stricken from the bill, would have provided an authorization of \$1,500,000 for 1950 for Federal participation in a State-Federal program to provide technical on-the-ground services to forest owners and processors. The authorization would have increased gradually each year until a maximum of \$6,000,000 annually was reached in 1953. At present a limited program of this nature is being undertaken chiefly under the Norris-Doxey Act. The conferees agreed to the Senate's action in eliminating this section.

Section 5, also stricken from the bill, would have repealed the provisions of the Norris-Doxey Act. The conferees agreed to the Senate action in eliminating this section, so that the Norris-Doxey Act will remain in effect. Thus, if the House and Senate approve the conference report, the net result will be to increase the authorizations for the State-Federal programs for forest fire protection, reforestation and forestry education, in the amounts I have just indicated, and to permit the forestry program authorized in the Norris-Doxey Act to continue undisturbed.

#### COMPENSATION OF CERTAIN GOVERNMENT OFFICIALS

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Washington yield in order that I may file a report and ask for its immediate consideration?

Mr. CAIN. I am pleased to yield.

Mr. JOHNSTON of South Carolina. I submit a conference report on H. R. 1689, which is known as the executive pay bill.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read.

(For conference report, see p. 14539 of the House proceedings of October 11, 1949.)

Mr. DONNELL. Mr. President, will the Senator be kind enough to give a brief explanation of what the report accomplishes?

Mr. JOHNSTON of South Carolina. Mr. President, I may say to the Senator from Missouri that in most instances the conferees have agreed to the Senate version of the bill. In the first place he will notice that all the Cabinet officers' salaries are made \$22,500, and the salaries of Under Secretaries \$17,500.

Mr. WHERRY. Before the Senator leaves that item, will he yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. The \$22,500 figure is somewhat above the Senate figure, is it not?

Mr. JOHNSTON of South Carolina. Yes, some of the figures are above the Senate figures, but in about 85 percent of the cases the Senator will find that the conferees followed the Senate version of the bill.

Mr. WHERRY. Those who are to get the \$17,500 were to receive, under the Senate bill, \$15,000, were they not?

Mr. JOHNSTON of South Carolina. Most of them were drawing \$14,000 or \$15,000.

Mr. WHERRY. This gives the director of an agency some leeway over those who are under him. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. WHERRY. That is the reason for the difference?

Mr. JOHNSTON of South Carolina. That is the reason.

Mr. WHERRY. How much money is involved in the increase? I am more interested in the high brackets than in the others.

Mr. JOHNSTON of South Carolina. In the whole bill the increase as proposed by the conference report is about \$81,000. I can go through the report and tell the Senator what the figures are.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. The reason I hate to see the conferees go above the figure of \$15,000 is that that figure is higher than the salaries of Members of the Senate and House. It seems to me that that in itself is wrong. I know the conference committee did much work on this subject. But I have been in Washington for 7 years, and it is rather difficult for me to see why the salaries in the executive branch should be increased to a point where they are out of line with the salaries in the legislative branch. I am not complaining about the amount of my own salary. I am simply stating that the proposed increase seems to be out of line.

Mr. JOHNSTON of South Carolina. I think the Senate conferees as a whole



probably felt the same way as the Senator does. But it has been worked out in the only way the conferees could bring back to the Senate a workable bill.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DONNELL. May I ask the Senator whether I am correct in my understanding that the compensation agreed to in conference results in an increase over and above the compensation provided in the bill as it was passed by the Senate, in the following cases: Under Secretary, Department of State; Under Secretary, Department of the Treasury; Under Secretary, Department of the Interior; Under Secretary, Department of Agriculture; Under Secretary, Department of Commerce; Under Secretary, Department of Labor; Deputy Postmaster General, Post Office Department; Assistant to Attorney General, Department of Justice; Solicitor General, Department of Justice; Comptroller General of the United States? In all the cases I have just read there is an increase of \$2,500 over and above the compensation as provided in the Senate bill. Is that correct?

Mr. JOHNSTON of South Carolina. Yes; and \$2,500 below the compensation as passed in the House bill. The figure is between the amount provided by the House and the amount provided by the Senate.

Mr. DONNELL. And in order that we may have a record of the matter, I shall continue.

There is an increase of \$2,500 a year over and above the compensation as provided by the Senate bill, in the following cases:

Director, Bureau of the Budget; Chairman, National Security Resources Board; Federal Security Administrator; Administrator of Veterans Affairs; Administrator of General Services.

Mr. JOHNSTON of South Carolina. The Housing and Home Finance Administrator under the present act is receiving \$16,500. We did not legislate on that position in the Senate. The House provided \$18,000, and the compensation agreed to in conference was \$17,500.

Mr. DONNELL. So the conferees increased his salary from \$16,500 to \$17,500, which is \$500 below the compensation as provided by the House bill.

Mr. JOHNSTON of South Carolina. Yes.

Mr. DONNELL. I assume that with respect to the Members, Council of Economic Advisers, the conferees increased their salaries from \$15,000 to \$16,000, which is \$1,500 below the figure in the bill as passed by the House.

Mr. JOHNSTON of South Carolina. They were already receiving \$15,000, and we increased their salaries to \$16,000.

Mr. DONNELL. Which is \$1,500 below the figure contained in the House bill.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. DONNELL. In the following cases there is likewise shown an increase in the salaries provided in the bill as passed by the Senate: Chairman, Munitions Board, an increase of \$1,000. Chairman, Research and Development Board, an increase of \$1,000. Assistant Comptroller General of the United States, an increase of \$2,000. Assistant Director, Bureau of the Budget, an increase of \$2,000. Deputy Administrator, Veterans Affairs, an increase of \$2,000.

Director, Central Intelligence, an increase of \$1,000. Federal Mediation and Conciliation Director, an increase of \$1,000. Director, FBI, an increase of \$1,000.

Mr. WHERRY. Mr. President, may I suggest to the distinguished Senator from Missouri that I think the whole list should be placed in the RECORD.

Mr. DONNELL. I agree with the Senator from Nebraska.

Mr. President, I ask unanimous consent that the charts showing present salaries, compensation provided by the bill as passed by the House, compensation provided by the bill as passed by the Senate, and compensation agreed to in conference, be printed at this point in the RECORD, so Senators may have an opportunity to see for themselves what action has been taken in conference.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The document is as follows:

Position (1)	H. R. 1689		Compensation as passed House (4)	Compensation as passed Senate (5)	Compensation agreed to in conference (6)	Position (1)	H. R. 1689		Compensation as passed House (4)	Compensation as passed Senate (5)	Compensation agreed to in conference (6)
	Number (2)	Present salary (3)					Number (2)	Present salary (3)			
Secretary, Department of State.....	1	\$15,000.00	\$25,000	\$22,500	\$22,500	Director, Bureau of the Budget.....	1	\$10,000.00	\$20,000	\$15,000	\$17,500
Secretary, Department of Treasury.....	1	15,000.00	25,000	22,500	22,500	Chairman, National Security Resources Board.....	1	14,000.00	20,000	15,000	17,500
Attorney General, Department of Justice.....	1	15,000.00	25,000	22,500	22,500	Federal Security Administrator.....	1	12,000.00	20,000	15,000	17,500
Postmaster General, Post Office Department.....	1	15,000.00	25,000	22,500	22,500	Administrator of Veterans' Affairs.....	1	12,000.00	20,000	15,000	17,500
Secretary, Department of Interior.....	1	15,000.00	25,000	22,500	22,500	Administrator of General Services.....	1	20,000	20,000	15,000	17,500
Secretary, Department of Agriculture.....	1	15,000.00	25,000	22,500	22,500	Housing and Home Finance Administrator.....	1	16,500.00	18,000	-----	17,500
Secretary, Department of Commerce.....	1	15,000.00	25,000	22,500	22,500	Members, Council of Economic Advisers.....	3	15,000.00	17,500	-----	16,000
Secretary, Department of Labor.....	1	15,000.00	25,000	22,500	22,500	Chairman, Munitions Board.....	1	14,000.00	18,000	15,000	16,000
Secretary, Department of Defense.....	1	15,000.00	25,000	22,500	22,500	Chairman, Research and Development Board.....	1	14,000.00	18,000	15,000	16,000
Deputy Secretary of Defense.....	1	14,500.00	20,500	20,000	20,000	Assistant Comptroller General of United States.....	1	10,330.00	18,000	14,000	16,000
Secretary, Department of the Army.....	1	14,000.00	20,000	18,000	18,000	Assistant Director, Bureau of the Budget.....	1	10,330.00	18,000	14,000	16,000
Secretary, Department of the Navy.....	1	14,000.00	20,000	18,000	18,000	Deputy Administrator, Veterans' Affairs.....	1	10,330.00	18,000	14,000	16,000
Secretary, Department of the Air Force.....	1	14,000.00	20,000	18,000	18,000	Director, Central Intelligence.....	1	14,000.00	17,500	15,000	16,000
Assistant to President.....	1	-----	(?)	(?)	(?)	Federal Mediation and Conciliation Director.....	1	12,000.00	17,500	15,000	16,000
Special Counsel to President.....	1	-----	(?)	(?)	(?)	Director, FBI.....	1	14,000.00	17,500	15,000	16,000
Secretaries to President.....	3	-----	(?)	(?)	(?)	Members, Board of Governors, Federal Reserve System.....	7	15,000.00	16,000	-----	16,000
Administrative assistants to President.....	6	-----	(?)	(?)	(?)	Board of Directors, Federal Deposit Insurance Corporation (including Comptroller of the Currency).....	3	15,000.00	16,000	-----	16,000
Executive secretary, National Security Council.....	1	10,000.00	(?)	(?)	(?)	Assistant Federal Security Administrator.....	1	10,330.00	17,500	14,000	15,000
Under Secretary, Department of State.....	1	12,000.00	20,000	15,000	17,500	Director, Aeronautical Research of National Advisory Committee for Aeronautics.....	1	10,330.00	16,000	15,000	15,000
Under Secretary, Department of Treasury.....	1	10,330.00	20,000	15,000	17,500	Members, Civil Aeronautics Board.....	4	12,000.00 11,500.00	16,000	15,000	15,000
Under Secretary, Department of the Interior.....	1	10,330.00	20,000	15,000	17,500	Members, Federal Communications Commission.....	7	10,000.00	16,000	15,000	15,000
Under Secretary, Department of Agriculture.....	1	10,330.00	20,000	15,000	17,500	Members, Federal Power Commission.....	5	10,000.00	16,000	15,000	15,000
Under Secretary, Department of Commerce.....	1	10,000.00	20,000	15,000	17,500	Members, Federal Trade Commission.....	5	10,000.00	16,000	15,000	15,000
Under Secretary, Department of Labor.....	1	10,330.00	20,000	15,000	17,500	Members, Interstate Commerce Commission.....	11	12,000.00	16,000	15,000	15,000
Deputy Postmaster General, Post Office Department.....	1	10,330.00	20,000	15,000	17,500	Members, National Labor Relations Board.....	5	12,000.00	16,000	15,000	15,000
Assistant to Attorney General, Department of Justice.....	1	10,330.00	20,000	15,000	17,500						
Solicitor General, Department of Justice.....	1	10,330.00	20,000	15,000	17,500						
Comptroller General of United States.....	1	12,000.00	20,000	15,000	17,500						

Footnotes at end of table.



Position (1)	H. R. 1689		Compensation as passed House (4)	Compensation as passed Senate (5)	Compensation agreed to in conference (6)	Position (1)	H. R. 1689		Compensation as passed House (4)	Compensation as passed Senate (5)	Compensation agreed to in conference (6)
	Number (2)	Present salary (3)					Number (2)	Present salary (3)			
Members, National Mediation Board.....	3	\$10,000.00	\$16,000	\$15,000	\$15,000	Chairman, United States Maritime Commission.....	1	\$12,000.00	-----	-----	\$16,000
Members, Railroad Retirement Board.....	3	10,000.00	16,000	15,000	15,000	Members, United States Maritime Commission.....	4	10,000.00	\$15,000	\$15,000	15,000
Members, Securities and Exchange Commission.....	5	10,000.00	16,000	15,000	15,000	Administrator, Production and Marketing Administration.....	1	10,330.00	15,000	14,000	15,000
Members, Board of Directors, TVA.....	3	10,000.00	16,000	15,000	15,000	Commissioner of Internal Revenue.....	1	10,330.00	15,000	15,000	15,000
Chairman, Civil Service Commission.....					16,000	Commissioner of Public Roads.....	1	10,330.00	15,000	15,000	15,000
Members, Civil Service Commission.....	3	10,000.00	16,000	15,000	15,000	Commissioner, Immigration and Naturalization.....	1	10,330.00	15,000	14,000	15,000
Members, United States Tariff Commission.....	6	11,000.00	16,000	15,000	15,000	Administrator, Civil Aeronautics.....	1	12,000.00	15,000	15,000	15,000
General counsel, National Labor Relations Board.....	1	12,000.00	16,000	15,000	15,000	Administrator, Rural Electrification Administration.....	1	10,330.00	15,000	15,000	15,000
Deputy Administrator, General Services.....	1	-----	16,000	14,000	15,000	Governor, Alaska.....	1	10,330.00	15,000	15,000	15,000
Archivist of the United States.....	1	10,000.00	15,000	14,000	15,000	Governor, Hawaii.....	1	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of State.....	8	10,330.00	15,000	15,000	15,000	Governor, Virgin Islands.....	1	10,330.00	15,000	15,000	15,000
Deputy Under Secretaries, Department of State.....	2	10,330.00	15,000	15,000	15,000	Governor, Panama Canal.....	1	10,000.00	15,000	15,000	15,000
Assistant Secretaries, Department of Treasury.....	2	10,330.00	15,000	15,000	15,000	Chief of Staff, Joint Committee on Internal Revenue Taxation.....	1	10,330.00	-----	15,000	15,000
Fiscal Assistant, Secretary of Treasury.....	1	10,330.00	15,000	15,000	15,000	Public Printer.....	1	10,330.00	17,500	15,000	15,000
Assistant Secretaries, Department of Interior.....	2	10,330.00	15,000	15,000	15,000	Librarian of Congress.....	1	10,330.00	17,500	15,000	15,000
Assistant Secretary, Department of Agriculture.....	1	10,305.00	15,000	15,000	15,000	Architect of Capitol.....	1	10,330.00	16,000	15,000	15,000
Assistant Secretaries, Department of Commerce.....	2	10,000.00	15,000	15,000	15,000	Director, Administrative Office of United States Courts.....	1	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Labor.....	3	10,330.00	15,000	15,000	15,000	Housing Expediter.....	1	12,000.00	15,000	14,000	14,000
Assistant Secretaries, Department of Defense.....	3	10,330.00	15,000	15,000	15,000	Director, Bureau of Federal Supply.....	1	10,330.00	15,000	14,000	14,000
Assistant Secretaries, Department of Army.....	2	10,330.00	15,000	15,000	15,000	Director, Selective Service.....	1	12,000.00	15,000	14,000	14,000
Assistant Secretaries, Department of Navy.....	2	10,330.00	15,000	15,000	15,000	Members, Displaced Persons Commission.....	3	10,000.00	15,000	14,000	14,000
Assistant Secretaries, Department of Air Force.....	2	10,330.00	15,000	15,000	15,000	Members, Indian Claims Commission.....	3	10,000.00	15,000	14,000	14,000
Under Secretary, Department of Army.....	1	10,330.00	15,000	15,000	15,000	Members, War Claims Commission.....	3	12,000.00	15,000	14,000	14,000
Under Secretary, Department of Navy.....	1	10,330.00	15,000	15,000	15,000	Members, Philippine War Damage Commission.....	3	12,000.00	15,000	14,000	14,000
Under Secretary, Department of Air Force.....	1	10,330.00	15,000	15,000	15,000	Associate Federal Mediation and Conciliation Director.....	1	10,330.00	15,000	14,000	14,000
Assistant Attorneys General, Department of Justice.....	3	10,330.00	15,000	15,000	15,000	Deputy Director Central Intelligence.....	1	10,000.00	15,000	14,000	14,000
Assistant Postmasters General, Post Office Department.....	4	10,330.00				Director, Bureau of Prisons.....	1	10,330.00	15,000	14,000	14,000
Assistant Solicitor General, United States.....	1	10,330.00	15,000	14,000	15,000	Commissioner of Public Buildings.....	1	10,330.00	15,000	14,000	14,000
Counselor, Department of State.....	1	10,330.00	15,000	15,000	15,000	Commissioner of Community Facilities.....	1	10,330.00	15,000	14,000	14,000
Philippine Alien Property Administrator.....	1	10,000.00	15,000	15,000	15,000	Commissioner of Social Security.....	1	10,330.00	15,000	14,000	14,000
Chairman, Board of Directors, Export-Import Bank of Washington.....	1	15,000.00	-----	-----	16,000	Commissioner of Reclamation.....	1	10,330.00	15,000	14,000	14,000
Members, Board of Directors, Export-Import Bank of Washington.....	3	12,000.00	15,000	15,000	15,000	Chief, Soil Conservation Service.....	1	10,330.00	15,000	14,000	14,000
Chairman, Board of Directors, RFC.....	1	15,000.00	-----	-----	16,000	Commissioner of Customs.....	1	10,330.00	15,000	14,000	14,000
Members, Board of Directors, RFC.....	4	12,500.00	15,000	15,000	15,000	Commissioner of Narcotics.....	1	10,330.00	15,000	14,000	14,000

<sup>1</sup> Compensation same as Under Secretaries of executive departments plus \$500 by reason of sec. 301 (b) of National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

<sup>2</sup> Compensation same as Under Secretaries of executive departments by reason of sec. 301 (b) of National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

Mr. JOHNSTON of South Carolina. The Senator from Missouri did not complete reading the list. For the information of the Senate, I wish to say that on succeeding pages Senators will find numerous instances in which the conferees made no change in the figures adopted by the Senate.

Mr. DONNELL. If I may supplement what the Senator from South Carolina has just said, there are quite a number of instances in which the compensation agreed to in conference is identical with that adopted in the Senate.

Mr. JOHNSTON of South Carolina. Yes; that is true.

Mr. DONNELL. And that, of course, appears in full in the table.

Mr. JOHNSTON of South Carolina. Yes.

Mr. WHERRY. Mr. President, I should like to ask a question, if the distinguished Senator from South Carolina will yield.

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. What is the total cost of the Senate figures, what is the total cost of the House figures, and what will

<sup>3</sup> Rates of compensation to be fixed by the President as follows: 2 not exceeding \$20,000 annually; 3 not exceeding \$18,000 annually; 7 not exceeding \$15,000 annually; in bill as agreed to by conference.

<sup>4</sup> Compensation same as Assistant Secretaries of executive departments by reason of sec. 302 of National Security Act of 1947, as amended by sec. 10 (b) of Public Law 216, 81st Cong.

be the total cost of the figures agreed to in conference? I should like to know the totals in those three instances, so we will know what the cost of the Senate bill would be, what the cost of the House bill would be and, finally, what the cost will be if Congress adopts the report.

Mr. JOHNSTON of South Carolina. I shall be glad to place those figures in the RECORD.

Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with the conference report on the executive pay bill, the exact cost of the bill as passed by the House, the



exact cost of the bill as passed by the Senate, and the exact cost of the bill as reported by the conferees.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

H. R. 1689—SUMMARY

	Number of positions	Present cost	Proposed cost	Net increase
H. R. 1689, as passed by the House.....	244	\$2,782,802.20	\$4,026,000	\$1,243,197.20
Senate amendment.....	239	2,593,763.80	3,597,500	1,007,406.20
Conference.....	253	2,819,503.80	3,903,000	1,087,496.20

Mr. WHERRY. Several Senators have come to me and asked me numerous questions on this point. I wonder if the distinguished Senator from South Carolina will do the Senate the courtesy of withdrawing his request for consideration of the conference report at this time, and let the matter go over until tomorrow morning. The tables will be in the RECORD, and Senators will then be able to ascertain for themselves what the differences between the Senate, House, and conference committee figures are, and what the total amounts are.

Mr. JOHNSTON of South Carolina. So far as I am concerned, I shall not press the request for consideration of the report at this time.

Mr. WHERRY. Many Senators have asked and will ask questions on this subject, and the figures should be in the RECORD so they may read them tomorrow.

Mr. LONG. Mr. President, I should like to say just this much about the top pay bill: I hope we can consider it at the earliest possible moment. I personally did not sign the conference report because I had committed myself on the Senate floor that I would not favor any increase over and above the amount the Senate provided. The conference report does provide for some increases over the Senate figures. I do not believe them to be excessive. As I said, I was in favor of the original bill as reported by the subcommittee. I felt it was the will of the Senate that we should not increase these amounts, and I opposed any increases at all, although I will say that, in my opinion, none of the increases are of any considerable amount.

There is one increase which does exceed what some Senators wanted, particularly the amount of \$17,500 for the Under Secretary of the Department of State and others included in that group. Seventeen thousand and five hundred dollars was the amount finally agreed upon in conference. We were strongly urged by many to go above that figure. I held out for no increase at all, but the Senate conferees finally felt that in order to reach some kind of an agreement we should split the difference between the Senate and the House bills, which resulted in the amount of \$17,500 for the Under Secretaries. With the exception of those instances there were few increases, the increases for the most part amounted to \$1,000, and the number of those affected is not great.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DONNELL. I realize that the word "great" is a relative word. I think there are quite a number of cases, as I have already read them, in which there are increases. I do not mean in any sense to contradict, or to question the sincerity of the Senator from Louisiana, but I think it is well, following the suggestion of the Senator from Nebraska, that the tables be printed in the RECORD, as has already been ordered, and that the report lie on the table until tomorrow. Then every Senator will have an opportunity to see for himself what the increases are.

The PRESIDING OFFICER. Without objection, the conference report will lie on the table.

#### FURNISHING OF STEAM FOR THE BELASCO THEATER

Mr. DOUGLAS. Mr. President, out of order I send to the desk a bill which I offer, and ask to have read. After that I shall make a brief statement about it, and ask that it be considered and passed.

Mr. MYERS. Mr. President, I ask unanimous consent that the Senator from Washington may yield to the Senator from Illinois for that purpose, without jeopardizing the right of the Senator from Washington to the floor.

Mr. CAIN. Mr. President, I thank the Senator from Pennsylvania for making that request. I simply want to be certain that my rights to the floor are not jeopardized.

The PRESIDING OFFICER. Without objection, the Senator from Washington may yield to the Senator from Illinois without losing his rights to the floor.

Mr. DOUGLAS. Mr. President, I ask that the bill be read, and then I shall make a statement concerning it, and then move that it be considered and passed.

The PRESIDING OFFICER. The bill will be received and read.

The bill (S. 2693) to authorize the Administrator of General Services to furnish steam to the lessees of the Belasco Theater, introduced by Mr. DOUGLAS (for himself and Mr. FLANDERS) was read, as follows:

*Be it enacted, etc.,* That the Administrator of General Services is authorized to furnish steam to the property known as the Belasco Theater in the District of Columbia for the use of the lessees of such property at such rates, not less than cost, as may be determined by the Administrator. As a condition to the furnishing of such steam, the lessees of such property shall execute assurances, satisfactory to the Administrator, to protect the United States from liability for any damage or injury which may result from the use of such steam by the lessees.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, I stated to the Senator from Illinois that I would have no objection to bringing the bill up for consideration. I trust that the Senator from Illinois will explain it so that all Senators who are interested will be able to query him on the subject-matter of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOUGLAS. Mr. President, the American National Theater and Academy is one of the four organizations directly chartered by Congress, along with the Red Cross, the Daughters of the American Revolution, and one other organization. It is negotiating with the General Services Administration to rent the Belasco Theater, which is now being used for storage, in order that it may be used as a national theater instead.

The bill, which is jointly introduced by the Senator from Vermont [Mr. FLANDERS] and myself, would permit the Administrator of General Services to furnish steam directly to lessees of the Belasco Theater, just as steam is now furnished in the case of the Red Cross and the Daughters of the American Revolution. This plan would reduce the expense to the theater lessees because it would obviate the necessity of this organization installing a separate heating plant for the Belasco Theater. The steam would be purchased at such rates, not less than cost, as may be determined by the Administrator, and there would be no expense to the Government.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. Is not this a nonprofit organization?

Mr. DOUGLAS. It is a nonprofit organization.

Mr. SALTONSTALL. And it is an organization which is attempting to bring back the legitimate theater to the city of Washington.

Mr. DOUGLAS. That is correct.

Mr. SALTONSTALL. With no profit to anyone?

Mr. DOUGLAS. That is correct?

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. EASTLAND. What is the name of the organization?

Mr. DOUGLAS. The American National Theater and Academy. Among those who are active in it are Miss Helen Hayes, Vinton Freedley, Sherman Ewing, C. Lawton Campbell, Rosamond Gilder, and a number of others.

Mr. EASTLAND. Does the Senator believe that the Government of the United States should furnish heat to any nonprofit organization in the District of Columbia?

Mr. DOUGLAS. No. But this organization happens to be chartered by Congress under an act passed by the Seventy-fourth Congress in 1935. It is



one of the few organizations directly chartered and it is attempting to bring back the legitimate theater to Washington. This is the only national capital in the world which does not have a theater. All the bill does is to permit the lessees of the theater to buy steam for heat from the Government at cost.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. The members of this organization are all nationally known producers, are they not?

Mr. DOUGLAS. Many are—including Gilbert Miller, the famous New York producer; Theresa Helburn, one of the heads of the Theater Guild; Joseph Verner Reed, Mr. Freedley, and others. Leading figures in the acting field, in scenic design, in journalism, in playwrighting, in business, and other pursuits are on the board of directors. These include such persons as Brooks Atkinson, Moss Hart, Robert Edward Jones, Raymond Massey, Lee Simonson, George Somnes, and Blanche Yurka.

Mr. SALTONSTALL. They are coming down here in an effort to reestablish the legitimate theater in Washington.

Mr. DOUGLAS. The Senator is correct. They are willing to put in approximately half a million dollars for redecorating the Belasco Theater.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HICKENLOOPER. Do I correctly understand the Senator to say that this organization would have to pay for the heat?

Mr. DOUGLAS. The Senator is quite right.

Mr. HICKENLOOPER. What are the terms upon which it would pay?

Mr. DOUGLAS. It would negotiate a contract with the General Services Administration satisfactory to that agency of the Government. It would pay for the steam at not less than cost.

Mr. HICKENLOOPER. I think that would not be an acceptable yardstick for negotiating an arrangement, so far as I am concerned, unless it were definitely understood that the organization would pay the full cost of the heat to the Government.

Mr. DOUGLAS. I am sure that it is perfectly willing to pay the full cost, and the bill does not authorize the Administrator to sell the steam at less than cost.

Mr. HICKENLOOPER. I am sympathetic with the idea of reestablishing the legitimate theater.

Mr. DOUGLAS. We should make the legislative record clear that the General Services Administration would charge the full cost. The express provisions of the bill in my opinion are clear on this question. The point is that unless there is some such provision as this, it will be necessary for this group to install a separate heating plant, which would greatly increase the cost.

Mr. HICKENLOOPER. Was the bill introduced in the Senate only this afternoon?

Mr. DOUGLAS. That is correct.

Mr. HICKENLOOPER. Has the bill ever been considered by a committee of the Senate?

Mr. DOUGLAS. It has not.

Mr. HICKENLOOPER. Would the Senator consider postponing consideration of the bill until tomorrow, rather than insisting on action this evening?

Mr. DOUGLAS. Certainly; I shall be glad to let it go over.

Mr. HICKENLOOPER. It seems to me that it involves a rather important precedent. We may have other types of precedents, but this is a rather important question.

Mr. DOUGLAS. I shall be very glad to let the bill go over. It could be passed at this time only by unanimous consent.

Mr. EASTLAND. Mr. President, I am going to object. The bill should be referred to a committee.

The PRESIDING OFFICER. Objection is heard.

Does the Senator from Illinois wish his bill to lie on the table or to be referred to a committee?

Mr. DOUGLAS. In view of the objection from the Senator from Mississippi, I suggest that the bill be referred to the appropriate committee.

The PRESIDING OFFICER. Without objection, that will be done.

The bill (S. 2693) to authorize the Administrator of General Services to furnish steam to the lessees of the Belasco Theater, introduced by Mr. DOUGLAS (for himself and Mr. FLANDERS) was read twice by its title, and referred to the Committee on Public Works.

#### LEAVES OF ABSENCE

Mr. MAYBANK asked and obtained consent to be absent from the Senate for the remainder of the present session of Congress.

On request of Mr. HOEY, and by unanimous consent, Mr. GRAHAM was excused from attendance on the session of the Senate tomorrow, Friday, October 14, 1949.

#### AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, I wish now to complete reading schedule No. 3 as it was filed with the clerk of the House of Representatives by the Citizens Committee on Displaced Persons under date of April 9, 1948. This schedule covers the salaries and travel expenses of the personnel of the Citizens Committee on Displaced Persons for the first quarter of 1948.

Name and address	Salary	Travel expense
Rebecca Bestimt, 5201 Connecticut Ave. N.W., Washington, D. C.	\$982.20	\$59.85
William R. Burke, 11734 Missouri Ave., Los Angeles, Calif.	1,380.00	1,205.97
Hugh E. Carstensen, 324 East 48th St., New York City	570.00	5.20
Anna H. Clark, 107 East 89th St., New York City	1,500.00	87.06
Thomas M. Cooley 2d, Waterford, Va.	3,000.00	441.56
Helen G. Crisses, 1200 College Ave., Bronx, N. Y.	465.00	-----
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	525.00	-----
Cecilia R. Davidson, 170 West 73d St., New York City	711.23	152.66
Eleanor T. Dudley, 52 Pickney St., Boston, Mass.	430.78	-----
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	502.50	660.37

Name and address	Salary	Travel expense
Tadeusz N. Hudes, 112-15 72d Rd., Forest Hills, Long Island, N. Y.	\$1,875.00	\$827.23
Selma Edith Jerskey, 302 West 86th St., New York City	780.00	4.00

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. CAIN. I am pleased to yield for a question.

Mr. LUCAS. The Senator from Washington and I were discussing the bill sometime ago, and some question was raised between us as to whether or not it might be possible to agree upon a definite time to vote upon the motion to recommit the bill. As I understand, the distinguished Senator ultimately will make such a motion, when he finishes his speech. I thought I would make inquiry of the able Senator now as to whether or not there was some arrangement upon which we might agree as to a time to vote on the motion.

Mr. CAIN. I will say to the distinguished majority leader that I am glad he has raised the question. It is the intention of the junior Senator from Washington to make a motion to recommit the bill to the committee. Speaking necessarily only for myself, I should like to think that we could agree on a time when the motion could be resolved by a vote.

Mr. WHERRY. Mr. President, will the Senator yield so that I may address a question to the majority leader?

Mr. CAIN. I am glad to yield. I think the Chair is desirous of protecting my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Washington may yield to the Senator from Nebraska for the purpose of addressing a question to the majority leader without losing his right to the floor.

Mr. WHERRY. Mr. President, I do not want to take the Senator from Washington from the floor. I should like to state to the majority leader that I am in total sympathy with the proposal which has been made. However, I must say that I could not agree at this time, because other Senators have asked me to object to any unanimous-consent agreement on anything until tomorrow. If this request is renewed tomorrow, and the Senator would then like to fix a time, I shall be glad to cooperate.

Mr. LUCAS. Mr. President, I agree with what the Senator from Nebraska has said. I was not attempting to make a unanimous-consent proposal, but I was simply attempting to lay a foundation tonight for the benefit of the procedure when we return tomorrow.

Mr. WHERRY. Yes.

Mr. LUCAS. I wished to ascertain whether the Senator from Washington, so far as he is concerned, perhaps would be agreeable tomorrow to entering into an agreement as to the time when the Senate may vote on the motion to recommit.

Mr. CAIN. I so expressed myself, and I should like to continue the discussion of this question with the majority leader and with other Senators.









The PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist on its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. GILLETTE, Mr. YOUNG, and Mr. HICKENLOOPER conferees on the part of the Senate.

#### FINANCING OF MISSOURI RIVER BRIDGE AT BROWNVILLE, NEBR.

Mr. KEM. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Missouri.

Mr. KEM. Mr. President, I ask unanimous consent that the Senate take up for consideration Calendar No. 1176, House bill 5674, an act to extend the time for the collection of tolls to amortize the costs, including reasonable interest and finance cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.

The PRESIDENT pro tempore. Is there objection?

Mr. DONNELL. Mr. President, may I ask the Senator to state briefly the purpose of the bill?

Mr. KEM. Mr. President, under the law providing for the construction of this bridge it was provided that the cost should be amortized over a period of 20 years and that the tolls should be assessed accordingly. The tolls are insufficient to pay the service on the bonds on that basis, so the bonds are to be refunded and the period over which the bridge is to be paid for has been extended from 20 years to 30 years.

This bill has been passed unanimously by the House of Representatives. It was recommended by the Department of the Army, by the General Services, by the Budget Bureau, and unanimously approved and reported by the Senate Public Works Committee.

Mr. DONNELL. I thank the Senator.

Mr. MORSE. Mr. President, I should like to ask the acting majority leader if it is the intention of the leadership to have the calendar called before we adjourn.

Mr. MYERS. Mr. President, it is our purpose to have the calendar called before the adjournment.

Mr. MORSE. I do not like to object, because my friend, the Senator from Missouri is involved, but I do not like to have bills taken from the calendar out of order. I think we should all take our chances on the calendar, and I am going to object to the consideration of this bill or to any bill being taken off the calendar until it is called.

The PRESIDENT pro tempore. Objection is heard.

Mr. KEM. Mr. President, the Senator from Oregon objected earlier in the day to the consideration of the bill on the ground that he did not think it should be taken up except when there was a quorum called. A quorum call has now been had, and I understood his objection had been overcome.

Mr. MORSE. After my objection this morning I discussed this matter with several other Senators, and in view of the fact that I have taken the lead in the matter of protecting the calendar and having all bills considered in their order, I said I would continue to object to any bill being taken up out of order, and I am going to do so from now until we adjourn, as a matter of policy.

The PRESIDENT pro tempore. Does the Senator object to the consideration of the bill?

Mr. MORSE. I object.

The PRESIDENT pro tempore. Objection is heard.

#### COMPENSATION OF CERTAIN GOVERNMENT OFFICIALS

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Yesterday there was submitted the conference report on H. R. 1639, a bill relating to the salaries of certain Government officials. After being considered for awhile it was laid aside temporarily. It is the report of a free conference, and I ask that it be considered immediately.

The PRESIDENT pro tempore. Is there objection?

Mr. DONNELL. Mr. President, I ask the distinguished Senator if he will be kind enough to give us a statement of the net effect of the tabulated figures shown on pages 14709 and 14710 of the RECORD. I may say to the Senator that I have noted the summary on page 14711, but I assume he will start with that and indicate perhaps in a little more detail just what the bill provides.

Mr. JOHNSTON of South Carolina. Mr. President, I am glad to furnish the Senator from Missouri the information he desires.

He will find, if he will look at the table on page 14711 of the RECORD of yesterday, that the amount to be appropriated under the conference report is \$80,090 more than was carried in the bill as it passed the Senate. It is \$155,701 less than was carried in the bill as it was passed by the House of Representatives.

I should also like to call to the Senator's attention the fact that the bill carries the salaries for 15 under secretaries, which accounts for \$37,500 of the increase. He will also find that the conference report cares for 14 positions which were not included in the bill as it passed the Senate, which accounts for about one-third of the increase.

Mr. DONNELL. I thank the Senator for this amplification of the tabulation in the RECORD.

The PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

Mr. LONG. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Louisiana.

Mr. LONG. In the RECORD of yesterday at page 14711, it is shown that I stated that I had not signed the conference report on the executive pay bill. This was incorrect. I had for some time considered not signing the conference report, because I had opposed vigorously any increase above the amounts in the bill as it was passed by this body. However, after conferring with other Senators, they indicated they thought it would be all right to go ahead, and I did sign the conference report with the raises therein indicated.

#### ESTABLISHMENT OF FOREIGN TRADE ZONES—CONFERENCE REPORT

Mr. GEORGE. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Georgia.

Mr. GEORGE. I see that the Senator from Wisconsin is now on the floor of the Senate, and I should like to call up again the conference report on the bill (H. R. 5332) to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones.

The PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

Mr. MCCARTHY. Mr. President, is this the conference report on the bill to which the Senate attached the fur amendment?

Mr. GEORGE. It is.

Mr. MCCARTHY. I shall be forced to object to the consideration of the conference report. I understand the conferees refused to accept the Senate provision, and that two of the conferees refused to sign the report.

Mr. GEORGE. That is true. The minority members of the conference committee declined to sign the report, but the majority of the Senate and House conferees signed the report.

Mr. MCCARTHY. I shall be forced to object. I assume the Senator will move to bring it up.

Mr. GEORGE. No; the Senator from Georgia will not move to bring it up again, because I have acted in the utmost good faith, and made every effort to get an agreement on the fur amendment. It cannot be agreed to, and there is no need of giving it further consideration. So the Senator from Georgia will decline to move to bring it up again.

Mr. LONG. Mr. President, I did not object to the fur amendment, which is totally irrelevant to the purpose of the bill, because I was assured there was no objection, and that it would be accepted at the White House. I now understand that those assurances were not correct, and that by my failure to object to this amendment I sacrificed my right to assist in the passage of a measure which would have been exceedingly beneficial to my State. I hope I may have opportunity later to move to bring this matter up, because it is one which will benefit many portions of the country, and will do little or no harm to any section.

It is unfortunate that this fur amendment could not be agreed to. When it



was offered in connection with the reciprocal-trade bill, I voted for the amendment. However, it is completely irrelevant to the purposes of the bill we have under consideration, and since it cannot be agreed to, I believe that the conference report should be agreed to.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Wisconsin.

Mr. McCARTHY. Am I correct in stating that during the conferees' attempt to get together—and I think the conferees did make a very sincere attempt to get together—all the conferees were subject to almost unlimited lobbying and pressure from the State Department, that a Mr. Brown from the State Department just hung right outside the door and inside the room during the time the conferees were working, during all the time they were working on the measure?

Mr. LONG. That may be correct, I do not know whether it is or not, but the Senator from Wisconsin assured the junior Senator from Louisiana that the State Department had no objection to this amendment, that the FBI would like to see it go into effect, that the Central Intelligence Agency thought it would be a good idea, and that the White House would have no objection. I do not think those assurances were correct at the time they were given, and they certainly are not effective today.

Mr. McCARTHY. I have no pipe line to the State Department, and I do not want any. I have never had any idea as to what the State Department would do toward this bill. I have known that the State Department has been lobbying against it, and I think there is the most vicious antifur lobby in the State Department conceivable. They have been very effectively lobbying against a vast segment of agriculture. In my State fur farming is an important industry.

We know that this amendment will injure no one except, No. 1, the Russians. The furs come from Russia. No. 2, it will curtail the activities of Amtorg. Amtorg is the official Russian trade organization or commission in New York. The Senator from Louisiana will recall that during the Coplon case it was also developed that Amtorg had been indulging and engaging in espionage activities. They were purchasing in this Nation things for which they could not obtain import licenses, such as Geiger counters. They are paying for them with the money they received from the sale of furs.

As I say, the only individuals who can be injured, No. 1, are those in Russia who are raising fur-bearing animals. There is the question of favoring them over the American fur farmers. There has been complete dumping by the Russians. The Russian Government apparently does not care how much money it loses on furs. They use the money obtained from the sale of furs as a source of revenue for Amtorg to carry on their espionage activities. If I told the Senator from Louisiana anything as to what the FBI or the Atomic Energy Commission had to say about this matter, it was told the Senator in the strictest confidence.

I have never told the Senator anything as to what the State Department felt about this matter. I know now and I have known all along that the State Department has no interest in our farmers. The State Department does not give a tinker's damn whether or not the approximately 5,000 fur farmers in my State who have been depending upon furs exclusively for a living, go broke. They do not care about the twenty or thirty thousand farmers in other States who depend upon the raising of fur-bearing animals as a part of their source of income.

I have never told the Senator from Louisiana—I am sure he is honestly mistaken, but someone else may have told him—how the State Department felt about the matter. I did tell the Senator some things as to how certain members of the staff of the Atomic Energy Commission felt about it. I know the Senator did not realize at the time that what I said was told him in strictest confidence. I shall be glad to have the Senator check on this statement.

Mr. LONG. Mr. President, I am sure that if anything of a confidential nature, as it relates to State Department secrets, has been revealed on the floor of the Senate, it has not been revealed by the Senator from Louisiana. I voted for the fur amendment when it came up for consideration in connection with a proper and relevant bill, namely, the reciprocal trade agreements bill. I voted with the Senator from Wisconsin on that amendment. I supported his amendment for the reason that the adoption of such an amendment would not only benefit Wisconsin, but would benefit Louisiana, and I think it would benefit the Nation generally.

The fur-farming industry of the State of Louisiana exceeds that of the State of Wisconsin, world without end. Louisiana is the greatest trapping State in the entire Union, and one of the greatest fur-producing areas in the entire world. Nevertheless, we have here a bill to which the amendment of the Senator from Wisconsin is totally irrelevant. The amendment was offered to the bill in an effort to put it through as a rider, with the assurance there would be no objection to the amendment. When the amendment was strenuously objected to, and it appeared there was no possibility of agreeing to it, contrary to the assurance I had been given, a different situation presented itself. And I so stated to the Senator. It is not a matter of record. It is something that is known only to the Senator from Wisconsin and to myself.

I ask that this conference report may be considered. It would not harm anyone. I do not believe the Senator from Wisconsin has any objection to the bill to which he offered his amendment, aside from the fact he would like to have his fur amendment included. I see no reason why a bill of this nature, which would be of considerable benefit, and would harm no one, should be defeated merely because the State Department and the White House and various Government agencies are unwilling to go along with the Senator's fur amendment. I would be willing to go along with the

fur amendment, but there are many who would not.

Mr. McCARTHY. Mr. President, I think the Senator from Louisiana did a very good job in his attempt to protect the fur farmer. The Senator gave me his support at the time we tried to attach this amendment as a rider to the reciprocal trade agreements bill. The Senator voted with us, and I think he should go along with us in the interest of the fur trappers of his State. I hope the Senator from Louisiana will not misunderstand anything I have said as being a personal criticism of him. I think the reason the Senator from Louisiana finally voted to reject the Senate amendment was because he was honestly convinced the President would veto the bill unless the amendment was rejected. So I certainly do not question the motives of the Senator from Louisiana. But I think the Senator will agree with me that when the Senate, in its final action, unanimously voted that a certain segment of our agriculture should be protected, it is nothing short of vicious for the State Department to have five or six lobbyists here contacting members of the committee inside and outside the conference room. While we can stand the advice and counsel of any department, I do not believe this body should be subjected to its pressure and its lobbying.

I should like to say another word. The Senator will realize that there is involved in this question something entirely aside from the question of protecting our fur farmers. I should like to read one paragraph to the Senator and ask him if he remembers the occurrence. I read from page 13122 of the CONGRESSIONAL RECORD of September 15:

ATOM TOOLS SHIPPED TO REDS, FBI REVEALS—  
DEVICES SNEAKED OUT BY AMTORG'S AGENTS

An FBI report offered as evidence in the espionage trial of Judith Coplon revealed yesterday that atomic research instruments were shipped to Russia in 1947 without United States export clearance.

The instruments were manufactured for Amtorg—

Amtorg, it will be understood, is the marketing agency for the Russian furs—by the Cyclotron Specialties Co., and were shipped on August 21, 1947. Customs officials halted another shipment on September 2, 1947, as it was being loaded aboard the steamship *Murmansk*. A third shipment later was intercepted at Claremont, N. J.

Then, as the Senator will recall, I assume, during that trial when the FBI records were revealed upon the order of the judge, it developed that Amtorg was the source of funds for all Russian espionage.

There is one other question I should like to ask the Senator from Louisiana. Is he aware of the fact that the Russians are selling their furs in this country without any consideration at all as to the cost of production in Russia—so much so, in fact, that other nations, Denmark, for example, which sells furs to the United States, as a market, cannot compete with this kind of competition, which ignores all cost whatsoever. I am sure this statement may interest the Senator from Louisiana: As of today in Denmark if one purchases a fur on the open









[PUBLIC LAW 359—81ST CONGRESS]

[CHAPTER 695—1ST SESSION]

[H. R. 1689]

AN ACT

To increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be \$22,500 per annum; the rate of basic compensation of the Deputy Secretary of Defense shall be \$20,000 per annum; and the rate of basic compensation of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall be, respectively, \$18,000 per annum.

SEC. 2. (a) Section 105 of title 3 of the United States Code is amended to read as follows:

“COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND  
STAFF ASSISTANTS TO PRESIDENT

“§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding \$20,000 per annum, three at rates not exceeding \$18,000 per annum, and seven at rates not exceeding \$15,000 per annum.”

(b) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: “The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title.”

SEC. 3. The rate of basic compensation of each Under Secretary of an executive department, the Deputy Postmaster General, the Assistant to the Attorney General, the Solicitor General of the United States, the Comptroller General of the United States, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, and the Housing and Home Finance Administrator shall be \$17,500 per annum.

SEC. 4. The rate of basic compensation of the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Deputy Administrator of Veterans' Affairs, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Director of the Federal Bureau of Investigation, the Chairman of the Civil Service Commission, the Chairman of the Board of Directors of the Export-Import Bank of Washington, the Chairman of the Board of Directors of the

Reconstruction Finance Corporation, the Chairman of the United States Maritime Commission, members of the Council of Economic Advisers, members of the Board of Governors of the Federal Reserve System, and members of the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency) shall be \$16,000 per annum.

SEC. 5. (a) The rate of basic compensation of the Assistant Federal Security Administrator, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, members of the Civil Aeronautics Board, members of the Federal Communications Commission, members of the Federal Power Commission, members of the Federal Trade Commission, members of the Interstate Commerce Commission, members of the National Labor Relations Board, members of the National Mediation Board, members of the Railroad Retirement Board, members of the Securities and Exchange Commission, members of the Board of Directors of the Tennessee Valley Authority, members (other than the Chairman) of the Civil Service Commission, members of the United States Tariff Commission, the General Counsel of the National Labor Relations Board, the Deputy Administrator of General Services, the Archivist of the United States, each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury and the Deputy Under Secretaries of State), each Assistant Attorney General, each Assistant Postmaster General, the Assistant Solicitor General of the United States, the Counselor of the Department of State, the Philippine Alien Property Administrator, members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington, members (other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation, members (other than the Chairman) of the United States Maritime Commission, the Administrator of the Production and Marketing Administration, the Commissioner of Internal Revenue, the Commissioner of Public Roads, the Commissioner of Immigration and Naturalization, the Administrator of Civil Aeronautics, the Administrator of the Rural Electrification Administration, the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal, the Chief of Staff of the Joint Committee on Internal Revenue Taxation, the Public Printer, the Librarian of Congress, and the Architect of the Capitol shall be \$15,000 per annum.

(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"The Director shall receive a salary of \$15,000 a year."

SEC. 6. (a) The rate of basic compensation of the Housing Expediter, the Director of the Bureau of Federal Supply, the Director of Selective Service, members of the Displaced Persons Commission, members of the Indian Claims Commission, members of the War Claims Commission, members of the Philippine War Damage Commission, the Associate Federal Mediation and Conciliation Director, the Deputy Director of Central Intelligence, the Director of the Bureau of Prisons, the Commissioner of Public Buildings, the Commissioner of Community Facilities, the Commissioner for Social Security, the Commissioner of Reclamation, the Chief of the Soil Conservation Service, the Commissioner of Customs, the Commissioner of Narcotics, the



Governor of the Farm Credit Administration, the Chief Forester of the Forest Service, the Administrator of the Farmers Home Administration, the Manager of the Federal Crop Insurance Corporation, the Associate Director of the Federal Bureau of Investigation, the Commissioners of the United States Court of Claims, the Assistant Architect of the Capitol, the Chief Assistant Librarian of Congress, and the Deputy Public Printer shall be \$14,000 per annum.

(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: "The Assistant Director shall receive a salary of \$12,500 a year."

(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be \$12,000 per annum.

(d) The second sentence of section 30 of the Act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), relating to the appointment and compensation of the Legal Adviser of the Department of State, is amended to read as follows: "The legal adviser shall be appointed by the President, by and with the advice and consent of the Senate."

SEC. 7. The applicable appropriation for the fiscal year ending June 30, 1950, shall be available for payment of compensation at the rate established for any position by or pursuant to this Act unless it is specifically provided that such appropriation shall not be available for such purpose.

SEC. 8. The head of each department or independent agency in the executive branch of the Government, having personnel subject to the provisions of this Act, is authorized and directed to absorb the increased costs during the fiscal year 1950 resulting from the enactment of this Act within any unobligated or unexpended balances in appropriations available to such department or independent agency. This section shall not apply to any agency with respect to which the Director of the Bureau of the Budget shall certify that absorption of such increased costs would impair the proper performance of its functions.

SEC. 9. This Act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act.

Approved October 15, 1949.

